

CRONYISM AND CORRUPTION AT HOMELAND SECURITY

THE AMERICAN Prospect

LIBERAL INTELLIGENCE

JANUARY 2006

Thomas Frank: War
and Disillusionment

In Praise of William
Jennings Bryan (!)

BOLTON V. WORLD

Six months into his job,
the UN ambassador is
losing friends and
influencing nobody.

MARK LEON GOLDBERG

PLUS

Milton Friedman,
Government Lover?

ROBERT KUTTNER

WV #BXNMNP *****AUTO**5-DIGIT 94301
94301UZZ555BY003# JAN 09

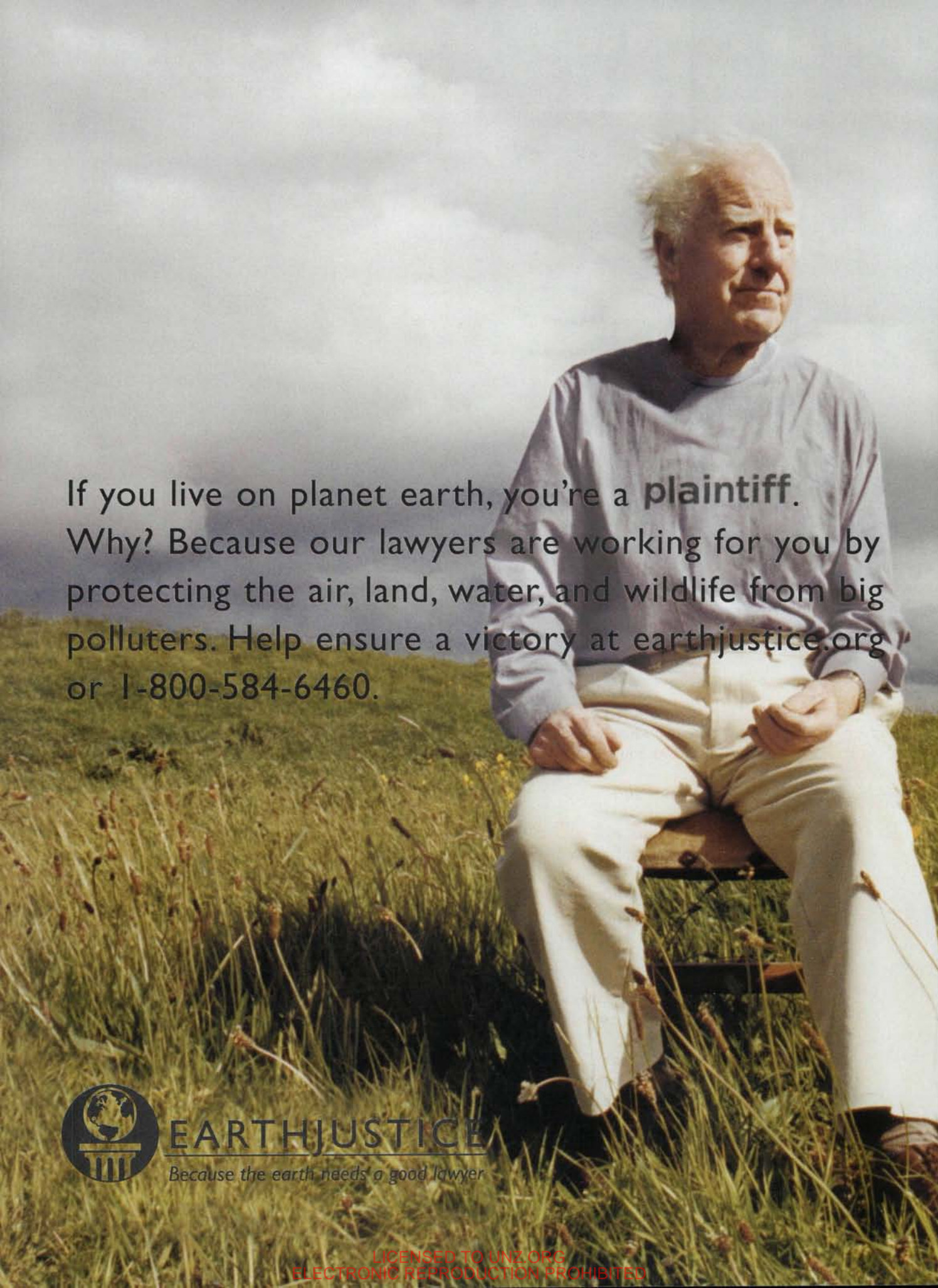
\$3.9



#9430
ROM UNZ
555 BRYANT ST # 371
PALO ALTO CA 94301-1704

0001
000470
5000032
01:007321

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



If you live on planet earth, you're a **plaintiff**.
Why? Because our lawyers are working for you by
protecting the air, land, water, and wildlife from big
polluters. Help ensure a victory at earthjustice.org
or 1-800-584-6460.



EARTHJUSTICE

Because the earth needs a good lawyer

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE AMERICAN Prospect

LIBERAL INTELLIGENCE

*"I am a sect by myself, as far as
I know."*

— THOMAS JEFFERSON

DISPATCHES

- 11 **Calendar Whirl** *by Sam Rosenfeld*
The New Hampshire primary will never be the same. But will it matter?
- 13 **Miller's Tale** *by Garance Franke-Ruta*
Meet veteran Congressman George Miller—as unsung as he is effective.
- 15 **Mind the Gap** *by Matthew Yglesias*
Democrats' policy differences on Iraq? Tiny. Political differences? Ahem.
- 16 **Property Wrongs** *by Jennifer Bradley*
The post-Kelo assault on all manner of regulations has begun in earnest.
- 18 **Slightly Un-Orthodox** *by Sarah Wildman*
Gay and Orthodox in Israel? They exist, and they're finally coming out.
- 20 **Tax Breakup** *by Barbara T. Dreyfuss*
The health-care skirmish between conservative wonks and big business

FEATURES

- 22 **The Arsonist** *by Mark Leon Goldberg*
You expected John Bolton to be bad when Bush sent him to the UN as a recess appointment. You had no reason to expect that he'd be this bad.
- 28 **Security for Sale** *by Sarah Posner*
If you want to believe your government is protecting you, you don't want to know about the contracting process at the Department of Homeland Security.
- 34 **Cant and Recant** *by Robert Kuttner*
In a new study of the Federal Reserve, Milton Friedman challenges key assumptions of a renowned economist. His name? Milton Friedman.
- 38 **It's What We Do** *by Ivan Eland*
Ever since 9-11, we've been told that the terrorists hate us for who we are. But the facts lead to a different—and far more controversial—explanation.
- 43 **The Other Bryan** *by Michael Kazin*
Liberals remember William Jennings Bryan as the reactionary boob of the Scopes Trial. We're wrong—Bryan wasn't that, and was much more besides.

Cover illustration by Darren Gygi; cover design by Aaron Morales

DEPARTMENTS

- 4 **Correspondence**
- 6 **Up Front:** Samuel Alito's definition of "oversight"; the best play of 2005; White House want ads; all-purpose headlines; plus The Question

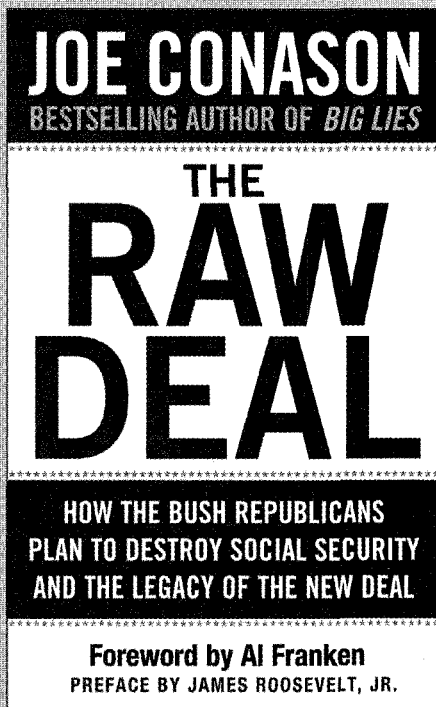
COLUMNS

- 3 **Prospects:** Starting Over
by Paul Starr
- 8 **The Out Years:** When Liberals Must Conserve *by Mark Schmitt*
- 9 **Comment:** Campaigns Are Destiny
by Neera Tanden
- 56 **Off Topic:** Why WWI?
by Thomas Frank

CULTURE & BOOKS

- 47 **MEDIA:** All the President's Friends
by Todd Gitlin
Judy, Bob, and the laughter and forgetting of America's newspaper editors
- 49 **FILM:** Reality Play
by Richard B. Woodward
With *Bubble*, Steven Soderbergh breaks all the rules of commercial filmmaking.
- 51 **BOOKS:** For *Anatol Lieven*, Michael Mandelbaum is the new incarnation of Louis XIV; for *Ann Crittenden*, Benjamin M. Friedman offers bracing lessons in economy and morality; and for *Ezra Klein*, one new book on the health-care morass clearly outshines another.

New York Times bestselling author Joe Conason delivers the blistering truth behind the Bush administration's deceptive efforts to "reform" Social Security.



"With insight and clarity, Joe Conason shows how the longstanding conservative antipathy toward Social Security has morphed into a lavishly funded and breathtakingly dishonest conservative PR campaign."
— David Brock, President and CEO, Media Matters for America, and author of *Blinded by the Right: The Conscience of an Ex-Conservative*

"No buzzword remains unchallenged, no dirty trick unexposed, no insipid argument left intact. This book is an important tool in the fight against the right-wing crusade against Social Security."
— Markos Moulitsas, Founder, DailyKos

"Let this book be your x-ray machine to see through the President's lies about Social Security."
— Josh Marshall, talkingpointsmemo.com

Available in paperback wherever books are sold



THE AMERICAN Prospect

CO-EDITORS Robert Kuttner, Paul Starr, Michael Tomasky
CO-FOUNDER Robert B. Reich

EXECUTIVE EDITOR Michael Tomasky
DEPUTY EDITOR Sarah Blustein
INVESTIGATIVE EDITOR Joe Conason
MANAGING EDITOR Erin Pressley
EDITOR-AT-LARGE Harold Meyerson
SENIOR EDITOR/WEB EDITOR Tara McKelvey
ART DIRECTOR Aaron Morales
POLICY EDITOR Dorian Friedman
SENIOR EDITOR Garance Franke-Ruta
STAFF WRITERS Sam Rosenfeld, Matthew Yglesias
ASSISTANT MANAGING EDITOR Melissa Thompson
ASSISTANT WEB EDITOR Alec Oveis
WRITING FELLOWS Mark Leon Goldberg, Ezra Klein
INTERNS Simon Apter, Nicole Chismar, Kelly Dilworth, Julia Gronnevet, Allison Metz, Sarah Shemkus
SENIOR CORRESPONDENTS Ann Crittenden, Robert Dreyfuss, James Fallows, Gershom Gorenberg, E.J. Graff, Mark Greif, John B. Judis, Chris Mooney, Sasha Polakow-Suransky, Eyal Press, Joseph Rosenbloom, Richard Rothstein, Laura Rozen, Peter Schrag, Michael Steinberger, Noy Thrupkaew, Jason Vest, Sarah Wildman
CONTRIBUTING EDITORS Marcia Angell, Alan Brinkley, Jonathan Cohn, Jeff Faux, Merrill Gozner, Arlie Hochschild, Christopher Jencks, Randall Kennedy, Robert S. McIntyre, Alicia H. Munnell, Karen M. Paget, Alejandro Portes, Jedediah Purdy, Robert D. Putnam, Samantha Sanchez, Deborah A. Stone, Cass R. Sunstein, William Julius Wilson

MAGAZINE DESIGN Point Five Design
Alissa Levin, Design Director; Jennifer Over, Designer

MOVING IDEAS NETWORK
DIRECTOR Melanie Alston-Akers
STRATEGY DIRECTOR Diana Onken
MANAGING EDITOR Diane Greenhalgh

PRESIDENT/PUBLISHER Diane Straus Tucker
ASSOCIATE PUBLISHER Robin Hutson
CONTROLLER Barbara Saunders
MARKETING MANAGER DJ Francis
PUBLISHING ASSOCIATE Sarah Gurfein
PUBLISHING ASSISTANT Matthew Grondin
IT DIRECTOR AND WEB MASTER Jocelyne Yourougou
ACCOUNTING MANAGER Tim O'Brien
CIRCULATION CONSULTANTS ProCirc, Cary Zel, Director; Susi Chapman, Manager

FOUNDING SPONSORS Kenneth J. Arrow, Daniel Bell, Kenneth B. Clark, Marian Wright Edelman, John Kenneth Galbraith, Sidney Harman, Irving Harris, Albert O. Hirschman, Harry Kahn, Charles Lindblom, Arthur M. Schlesinger, Jr., Fritz Stern, James Tobin

BOARD OF DIRECTORS Richard C. Leone, Chairman
Maria Echaveste, Danny Goldberg, Jehmu Greene, Christopher Jencks, Michael J. Johnston, Randall Kennedy, Robert Kuttner, Nancy Mills, Robert B. Reich, Adele Simmons, Paul Starr, Benjamin Taylor

ADVERTISING SALES Sarah Gurfein, (202) 776-0730
SUBSCRIPTION CUSTOMER SERVICE 1-888-MUST-READ (687-8732)
SUBSCRIPTION RATES \$24.95 (U.S.), \$34.95 (Canada) and \$39.95 (foreign)
MEDIA RELATIONS Dorian Friedman, (202) 776-0730
NEWSSTAND DISTRIBUTION Big Top Newsstand Services, a division of the IPA, (415) 445-0230 or fax (415) 445-0231 or e-mail bigtop@indypress.org
PRESS SYNDICATION Agence Global, (336) 686-9002
REPRINTS permissions@prospect.org

Starting Over

IN HIS STATE OF THE UNION ADDRESS IN JANUARY, George W. Bush is widely expected to try to relaunch his presidency. That he needs a new start is a reflection of just how badly his second term has gone, even in the eyes of conservatives. His domestic initiatives regarding

Social Security and tax reform are dead in the water, and every milestone in Iraq has proved to be a mirage. Still, he is president for another three years, the future of our country depends on his decisions, and the potential damage to the nation from a failed presidency and fruitless war puts the opposition in a difficult position.

We can visualize the moment when Bush enters the House of Representatives for the annual rite. Democrats as well as Republicans will greet him with a thunderous ovation, and after he is introduced they will rise to applaud again. With Dick Cheney and Dennis Hastert sitting behind him, the president will tell us that the state of our union is strong. The boyish smile will then fade from his face as he somberly thanks our servicemen and women risking their lives around the world. A moment later, he may seem downright cocky as he claims the economy is booming and cites a few favorable figures to make his case. As he recounts his accomplishments, he will gracefully share credit with the Congress for the Medicare prescription drug plans in which seniors will be enrolled. And he will declare that we are making progress in Iraq and must stay the course.

Those are among the predictable elements, but the speech will also have to break some ground to make the idea of a new beginning believable. The difficulty here is that Bush's own poli-

cies have reduced his room for maneuver; he doesn't have the money for another prescription drug plan, the votes for reconstructing the tax system, or the troops for another war. He also faces the tricky task of keeping faith with his base, while at least appearing conciliatory to a broader audience. All the demands of the occasion suggest we may see one of those periodic appearances of Bush as compassionate conservative. It's a role he has shown he can perform artfully—and cheaply—by seizing on symbolic policies in the style Bill Clinton perfected or simply by making great promises and then not following through, as he did after Hurricane Katrina.

The theatricality of the State of the Union lends itself to presidential gestures. In deciding who sits near Laura Bush, the White House casting director will have a delicate choice to make. Will it be, say, a black woman from a church in New Orleans who saved orphans during the flood? Or a pair of soldiers—one American, one Iraqi—illustrating the progress toward transferring combat responsibilities? Or perhaps a Medicare beneficiary who has actually succeeded in figuring out the drug program and enrolled in a plan?

Afterward, on television, the Democrats will offer their official response (which bloggers will instantly denounce as lame), and sage commentators will then shake their heads sadly and say that Bush's opponents are too divided to agree on an alternative program. Perhaps Joe Lieberman will warn his fellow Democrats about being too critical; for, as he said in early December, "We undermine the president's credibility at our nation's peril"—as if Bush had not created his own credibility problem by repeatedly making claims that turned out to be untrue.

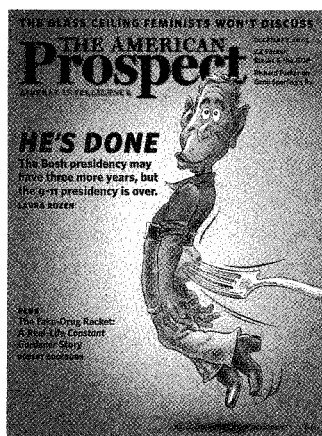
The dilemma in a floundering presidency—not an unprecedented situation in American history—is how the opposition can continue offering the nation an alternative, constraining the wounded incumbent, without the national interest suffering more than it already has. Some issues, like Social Security, can wait for action, while others require constructive engagement from the opposition, if only to press the president toward a prompt resolution.

On the war—which is the crux of the problem today—there is an important difference between saying we will remain in Iraq until the insurgency is defeated or until the Iraqis can defend their state. The former is a recipe for an indefinite commitment, and it is vital that Bush himself conclude the war and not leave it to his successor. I write just before the December 15 elections in Iraq. Regardless of how they turn out, our

objective should be a political settlement that incorporates the Sunnis and bars the formation of an autonomous southern region allied with Iran. Ideally, as part of that settlement, the Iraqis themselves will call for a U.S. departure on an expeditious timetable and Bush will accede. Then maybe the next president can have a genuinely new start. **TAP**

— PAUL STARR

*The potential
harm to the nation
from a failed
presidency
complicates the
opposition's role.*



Will elite women rise to power at the expense of women from the lower classes?

— ALLEN FOSTER
SAN FRANCISCO, CA

Poor, Richard

IT WOULD BE EASY TO CHALLENGE Richard Parker's review of my *America Beyond Capitalism* for its dismissive tone and careless errors ["Back to the Future," December 2005]. For instance, contrary to Parker's claim that the book's report on worker-owned firms avoids discussion of United Airlines' problems, the matter is, in fact, taken up on page 84.

Similarly, Parker implies that my proposal for a national level trust owning stock on behalf of the public contradicts arguments elsewhere in the book urging regional decentralization. But *America Beyond Capitalism* explicitly suggests a staged process of devolution in which national institutions like the proposed public trust would—in a second stage—be regionalized over the longer haul.

What should be more worrisome to readers of this magazine is that Parker simply avoids the book's two central arguments: First, that in a country in which a mere 1 percent at the top owns just under 50 percent of all investment capital, it is time for progressives to confront the political as well as economic significance of concentrated wealth (not simply

income). Second, that given the difficulties progressives face at the national level, it is important to investigate new thinking and new policies developing at the state and local level—especially those which deal with wealth ownership. The book describes numerous such strategies, including the evolution of some 11,000 employee-owned firms in recent decades.

Parker also refuses to confront fundamental issues of principle raised by the book's review of evolving trends in democratic theory (from Toqueville and Putnam to Barber and Mansbridge), and in connection with asset-based economic theory (e.g. the work of Richard Freeman and many others).

Parker is critical of *America Beyond Capitalism* (and Gene Sperling's *The Pro-Growth Progressive*) above all because neither provides him with what he calls the "Rosetta stone of progressive economics—a coherent, generous, far-sighted, and electorally promising policy for Democrats." He asks for "headlines, not details." He is upset because the developing local efforts are currently "far from authentic large scale adoption" and because the book does not

prove that "small-d" democratic efforts can be "grown to federal scale."

But there is no shortcut or magic bullet to Parker's wished-for "Rosetta stone"; nor can a coherent new strategy be created out of whole cloth. (And, not surprisingly, Parker fails to offer even a hint of his own conception of what a new strategy might entail.)

The likelihood that important building blocks for the long-term retooling of national progressive strategy will be found in what were once called the "laboratories of democracy" is at least as high, in my view, as among academic and Washington policy elites. Indeed, having participated in the process for many years, and having managed liberal policy development work in both the U.S. House and Senate, I believe it is much, much higher.

GAR ALPEROVITZ
*Lionel R. Bauman Professor of Political-Economy
University of Maryland,
College Park*

Richard Parker responds:

I'm sorry my review so stung my friend Gar Alperovitz. I meant it to show my disagreements with, not dismiss, his book.

But I'll stand by what I wrote. Faulting my "careless errors," he insists he discussed United Airline's bankruptcy "on p. 84." But I said he "skips over" the subject—because that's what the page's one sentence in the footnote does. United's bankruptcy has frightened or confused millions about worker ownership; the president of the ESOP [Employee ownership through employee stock own-

ership plans] trade association fears it "could be the death knell for the ESOP movement." I didn't think Gar's one sentence did the job; he does.

He says I slighted his central idea that progressives should "confront the political as well as economic significance of concentrated wealth." I know the idea pretty well: my first book, *The Myth of the Middle Class*, covered it 30 years ago, as does my recent biography of John Kenneth Galbraith, as do scores of my articles. But while Gar does highlight important models with keys to the future, I believe, from experience and research, that they are more complicated and challenged than he apparently does. That's what I said in the review.

He thinks I don't "confront ... evolving trends in democratic ... [and] asset-based economic theory." But I thought I did "confront" them, when I said that the current political and economic landscape isn't hospitable to them. I then criticized the book for not giving greater attention to globalization or the Democratic Party, because I think both represent real obstacles to translating Gar's "evolving trends" into more significant laws and policies.

Gar is an intelligent progressive thinker, but I don't believe *America Beyond Capitalism* is his best book. It covers too many topics—from high theory to often arcane local projects—too quickly for a broad audience, doesn't explore the problems and complexity alongside the promise of many of his models, and

doesn't incorporate well enough the forces in the immediately foreseeable world to persuade me that those models are going to play the role he sees for them.

I didn't think that constituted a "dismissal" of his book; I thought it was a frank and honest review by a skeptical friend and ally.

The Non-Elites

I ENJOYED AND FOLLOWED the reasoning of Linda Hirshman's article ["Homeward Bound"] in your December issue. She is right that society and the business world seem inclined to let elite women "choose" the second shift of working at raising children and managing a household. However, I was disturbed by the solution that a full-time nanny will allow these women to get back into the competitive marketplace. Ms. Hirshman makes a case for our need for more women in positions of power and influence, but it seems this is going to happen at the expense of women from the lower classes who will take over the duties of rearing the elite children and cleaning/maintaining the elite homes. I do not mean by my remarks to diffuse the weight of the arguments presented, only to add yet another complication to the situation. Will the working class have to wait until the elite have this figured out before their women can dream of jobs outside "women's traditional roles"?

I must identify myself as somewhat outside the fray here—I'm a childless gay man with a Bachelor of Fine Arts degree from a state university.

Thanks for your fascinating publication—I'll keep it on my online reference list.

ALLEN FOSTER
San Francisco, CA

Spooky Stuff

ROBERT DREYFUSS' EX-Cellent and depressing piece on the damage wrought by Porter Goss at the CIA ["The Yes-Man," December] leaves one's head as thoroughly spun as Linda Blair's in *The Exorcist*. For those of us used to viewing skeptically both the CIA's morals and its abilities, it's a jolt to realize that our current administration views the CIA as yet another pesky manifestation of the reality-based community it has no use for. That Cheney is working hard to preserve for the CIA its ability to torture at the same time as Goss is working hard to make it impossible for the CIA to know what's going on in the world would seem to guarantee a future full of Abu Ghraibs, and more wars that don't defeat enemies so much as generate them.

We should be careful not to follow [Rush] Limbaugh and [Bill] O'Reilly into attacking the patriotism of those we disagree with, but if Bush's aim was to destroy the CIA, destroy our ability to function effectively in the world, and destroy any possibility of ever living in peace, what would he do differently?

ALAN WADE
New York, NY

Letters to the editors should be sent to letters@prospect.org or mailed to The Editors, The American Prospect, 2000 L St., NW, Suite 717, Washington, D.C. 20036.

A Few Changes

MEET OUR NEW COLUMNIST: Eight years ago, when Mark Schmitt applied for a marriage license, the clerk asked his occupation. At the time, he worked for George Soros' Open Society Institute. Resisting the title "foundation executive" on a document that would follow him for life, he said, "Umm, writer." The clerk queried it, but in fact, Mark has been a speechwriter, a blog writer, and, now, a column writer. He's currently a senior fellow at the New America Foundation. His blog, *The Decembrist*, was named one of the five best political blogs by *Forbes* magazine in 2004, but he believes it's not even in the top seven.



Mark Schmitt

Mark's new column begins this month. We know he'll be a habit of yours soon. Opposite Mark, we will have a guest columnist slot, filled this month by Neera Tanden. Robert S. McIntyre will write his *Taxonomist* column for our Web site, and he will still appear in the print magazine with occasional dispatches and features.

Also in this issue, we introduce a new feature that will share the back page with columns by Robert B. Reich. Off Topic will find leading liberal thinkers and personalities writing columns on anything *but* politics—their passions, hobbies, and avocations (yes, we *do* have lives outside politics). The column is kicked off by Thomas Frank, author of *What's the Matter with Kansas?* Enjoy.

You could have been reading this issue last week!

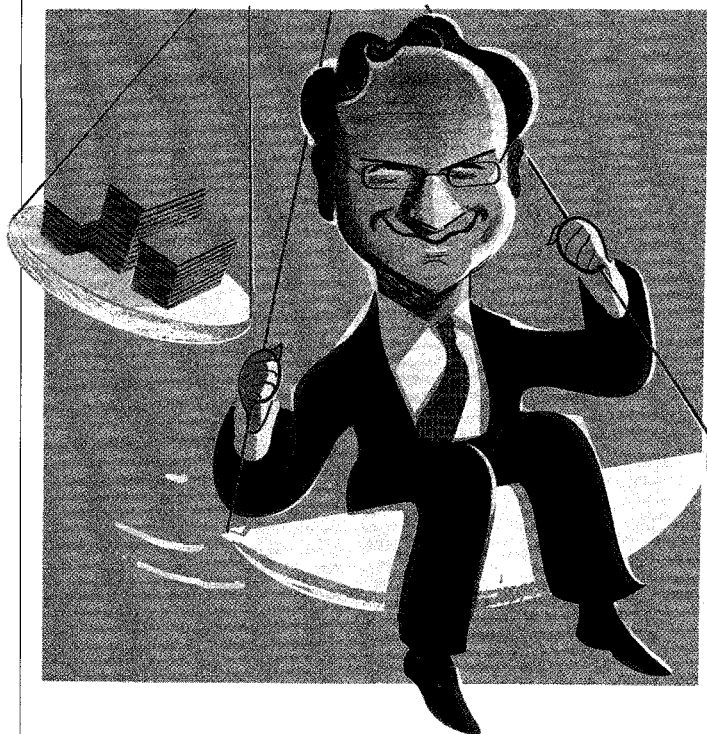
Subscribers, read the current issue on the day it goes to press—up to 10 days before receiving it in your mailbox.

We have introduced e-subscriptions, online delivery of the current issue. All subscribers receive a FREE e-subscription included with their print subscription.

Claim your FREE e-subscription by entering your account number from your mailing label on the cover.

www.prospect.org

Up Front



ALITO'S EXCUSES

WITH THE DISCOVERY OF AN ENTIRE ARSENAL OF smoking guns documenting Judge Samuel Alito's fervent opposition to abortion rights, the media haven't really looked into the Supreme Court nominee's other questionable attributes. Which means we may need to wait until his confirmation hearings in January to learn what Alito was thinking when he failed to recuse himself from a 2002 case involving three companies owned by the Vanguard Investment Funds—in which he had more than \$500,000 invested.

Alito has offered half-a-dozen implausible explanations of how he missed this glaring conflict of interest. He has variously argued that since the panel of judges ruled unanimously, his participation really didn't make a difference, and that the pledge he made to the Judiciary Committee in 1990 to recuse himself from cases involving Vanguard had simply lapsed.

But easily our favorite Alito excuse is this one: In one letter, he called his participation in the case an "oversight," even though, as Senator Edward Kennedy has documented, Alito headed a panel of judges that had to review the case's briefs. In those documents, the name "Vanguard" appeared more than 400 times. That's some oversight—a little like reading *Moby Dick* and missing the whale.

— HAROLD MEYERSON

HELP WANTED

It comes as no surprise that morale at the White House is not at its highest these days. Once upon a time, 1600 was inundated with resumes from eager potential recruits, but in early December the administration had to resort to an unusual mass e-mail imploring movement conservatives to recommend candidates for "openings across the administration in various full-time capacities," including some "senior positions" in areas ranging from "communications (i.e. press, speech-writing)" to "legislative affairs." The e-mail sought "talented, loyal people to fill key positions in the Bush Administration." Interesting. Talent and loyalty have typically acted in inverse proportion in this administration. Nice to see they're trying something different.

THE PLAY'S THE THING

The funniest e-mail we've received recently took us to tinyrevolution.com, where we found a brilliant work by one Jonathan Schwarz entitled, "A Short Play Starring Christopher Hitchens." The play, consisting of nine lines of dialogue, certainly lives up to its name. But what lines they are! The dramatis personae include Hitchens, Reality, and Vast Majority of Humanity. As the action begins, VMOH, stage left, voices opposition to the Iraq War. The Hitchens character—

stage right—accuses VMOH of Stalinist tendencies, avows that WMDs will be found any day now, and delivers himself of verisimilar bellicosity ("it's obvious to anyone who can think at all!"). Enter Reality, which, without words, "punches Hitchens very, very hard in the face." Exeunt all. A heartbreaking work of staggering genius.

SPUN SILVER

In a December 4 interview in *The New York Times Magazine*, actor and "9-11 Republican" **Ron Silver** described "kibbitzing" with



President Bush at the Kennedy Center honors: "He is really a likable guy. At one point he said: 'You're a good man, Ronnie. It is nice to see you.' And I was kidding around, so I said, 'Mr. President, only my mother calls me Ronnie.' And he looks me in the eye and says, 'You're a good man, Ronnie.'" Question: Is "likable" really the first word that comes to mind when you hear this anecdote?

HEY, IT'S A COMPLIMENT

Congressman Steve King, reliably crazy Republican of Iowa, led a successful surprise move earlier this fall to block a Democratic measure naming a Berkeley post office after 94-year-old community activist Maudelle Shirek, whom King alleged had communist ties. Califor-

THE QUESTION: WHAT SHOULD GEORGE W. BUSH'S NEW YEAR'S RESOLUTION BE?

"I will drop privatization and spend far more time trying to improve major league baseball, a subject about which I am genuinely knowledgeable and have sound views."



— **EJ Dionne**, Washington Post columnist

"I resolve to install a television set in the Oval Office and turn it on during natural disasters."



— **Nora Ephron**, director and writer

"Next time someone camps out in a ditch outside the ranch, I'll meet with 'em right away."



— **Arianna Huffington**, proprietor, The Huffington Post

nia Democrat Barbara Lee, who represents Berkeley, complained that King's move was "better suited to the era of Joe McCarthy," to which King responded with a hearty "thank you kindly!" "If she studied her history," he said of Lee in an interview, "she'd recognize Joe McCarthy was a hero for America." Good night, Ms. Shirek, and good luck.

ONE-INDUSTRY TOWN

"You know what the Democrats' problem is? They're trying to be the party of the everyman, so they don't appeal enough to the upper crust.

"The thing about Bush, man, is he's slick. You gotta give that to him. The man is slick. He attacked Iraq saying that there was all these weapons, then we were in there and weren't no weapons, and he said we gotta be there to build democracy! That's slick.

"Bush knew how to win, man. He went down to Florida [during the 2004 campaign] and he told those Hispanic people, 'I am going to make you citizens.' When he said that to those people, that was it. He wiped the African American vote out right there."

James Carville? No, a homeless man on the #66 bus, early November.

BA-DA-BING

As spoken by a Democratic member of Congress at a re-

cent party: "We now think it's pretty clear that Dick Cheney lied to Congress. This, of course, is an impeachable offense. But if we impeach Cheney, then Bush becomes president."

WORKS EVERY WEEK

David Broder's December 1



column was headlined "A Pox on Both Parties." As this

could have been the headline of every third David Broder column since about 1981, it spurred us to think of all-purpose headlines for the output of other columnists: "Ahmed Sez," by Jim Hoagland; "My Indian Cabdriver's Mixed Metaphors About Freedom," by Tom Friedman; "Liberal Self-Loathing," by Richard Cohen; "I'm Too Clever for This Town," by Maureen Dowd.

COLD "WAR"

FOX News host John Gibson and his network colleagues spent the season relentlessly flogging his book, *The War on Christmas: How the Liberal Plot to Ban the Sacred Holiday Is Worse Than You Thought*. So what do they have to show for it, among a book-buying public that has regularly sent wingnut titles shooting up the charts? On December 13, the day we went to press, *War* was at No. 286 on the Amazon charts. But hey, that puts him four spots ahead of *The O'Reilly Factor for Kids*.

DID HE SERVE SNACKS?

Some hardliners, impressed with the great success of our Iraq adventure, are still pushing the Bush administration to turn its attention to Syria. And so, into town in early December strolled Farid Ghadry, the head of the Syrian Reform Party. Among those from whom he sought advice, according to *The Wall Street Journal*, was none other than Ahmed Chalabi. Ghadry told the paper that "Ahmed paved the way in Iraq for what we want to do in Syria." The meeting place? Richard Perle's living room. The guy just doesn't stop. Actually, where else?

DERB DISH

John Derbyshire is a *National Review Online* columnist who, while frequently scribbling away on matters of import, remains perhaps best known



for writing a coarse attack on **Chelsea Clinton** back in 2001 ("I Hate Chelsea Clinton"). Similar assertions have popped up here and there in his oeuvre. And so, a little while back, the *Prospect's* blog, Tapped, pointed out the major ew-factor associated with Derbyshire's assertions that "the human female is visually attractive to the human male at, or shortly after, puberty, and for only a few brief years thereafter" and that "very few of us are interesting to look at in the buff... a woman's salad days are shorter

than a man's—really, in this precise context, only from about 15 to 20." Within an hour of the item's posting on our blog, a conservative blogger wrote in to ask: "Dude. Are you guys really just now catching on to how creepy Derbyshire is? Have you ever looked up his ruminations on Zhang Ziyi and Asian lesbians? I give you the definitive collection. And yes, you have to read them all for the full effect." This was followed by not one, not two, but 13 different links. Interestingly, he wrote his attack on Ms. Clinton on the occasion of her turning 21, thus exiting the preferred Derb demographic. The nerve of that girl!

OUR KIND OF GALS

All hail Didi Goldmark of New Hope, Pennsylvania, who accomplished what no member of the White House press corps—despite their dozens of opportunities to ask the question in the past few months—has managed to pulled off: She got George W. Bush to acknowledge that Iraqis have died. In fact, 30,000 of them, according to the president. Further props to Faeze Woodville, an Iranian by birth and a naturalized U.S. citizen, who asked Bush why he keeps linking September 11 to the Iraq War. Bush's response: "9-11 changed my look on foreign policy." In his world, that's link enough; Woodville, however, told the press, "He must think we're morons." **TAP**

When Liberals Must Conserve

BY MARK SCHMITT

“WE NEED A MESSAGE.” “WE NEED A PHILOSOPHY.”
“We need a simple statement of what we believe, just like the right has.” No meeting of progressives lasts long before these sentiments are expressed. Sometimes a committee will be assigned to frame the new message.

The result might be a crisp but banal statement of uncontested values. Or a list of 62 programs that acknowledge all the key constituencies and causes. As a colleague of mine once said, most attempts at this synthesis are no worse than any other, and no better.

Why is this so hard? Why haven't we been able to define what it means to be a progressive (or liberal) in clear, meaningful terms?

Here's one take at an answer: It's because the progressive message for the current moment is essentially, by tragic necessity, that of conservatism. Although we still do Republicans the courtesy of labeling them “far right,” the fact is they have gone so far around the bend that they have abandoned all of the conservative tradition, except for a small piece of Randian economic libertarianism. And the empty shell of conservatism has been bequeathed to us.

The defining characteristic of Bush-era policies—from tax cuts to the Medicare drug bill and, above all, the Iraq invasion—has been a reckless disregard for consequences. Whether that comes from an idealism comparable to that of the dreamiest liberals—as the president's defenders on Iraq still insist—or simply an “I've got mine, Jack” brand of social Darwinism plus corruption, the task of dealing with the consequences will fall to those who come next.

And so Democrats, before they can do anything big, will need to restore stabil-

ity, caution, survival, respect for the future, fiscal discipline, and realism in foreign policy. These are conservative values. We will need them not because they represent our vision of how the world should be but because they are life rafts that can take us back to saner shores.

And hence our speechlessness. This is not language we are comfortable with or get excited about. We want the language of Great Society, full employment, man on the moon, global prosperity, democracy around the world, universal human

rights, every life lived to its fullest. We can find our way back to that visionary, aspirational language, but the way back takes us through a dozen meliorative tasks like restoring fiscal sanity, preventing the collapse of the employer-provided health-care system, modernizing entitlements, restoring the tax structure of the

end of the 20th century, ending the war in Iraq, rescuing our country's international reputation, and dealing with the real consequences of global warming.

The tools and words for this task come to us mostly from the conservative tradition. And let's admit it: Conservatism has many worthwhile aspects. The Burkean understanding of the connectedness of past and future and of the

need for care and humility in trying to reorder human relations is enlightening, as is Friedrich Hayek's conception of the limits of centralized decision making. American liberals learned a lot decades ago from our own mistakes and overconfidence; now it's time to put that hard-won lesson into practice.

The challenge for a progressive message, then, is to find a way to own the conservatism that is our unhappy inheritance, and to imbue it with energy and with a vision of a future that is not quite just over the horizon. We need a language of conservative means to progressive ends, a language of patience.

How progressives can bring vision and passion to an inevitably conservative agenda will be a theme that this column will explore in the future, but I'll suggest some of it here. One step is to reinvigorate the language of shared sacrifice and national commitment. The individualism of the ugly Bush years has to be contrasted with a vision of collective action, and the act of sacrifice—whether it be serving in the military or as a teacher, consuming less energy, or giving up a familiar tax benefit—has to be made to seem noble. We should talk

about business and corporations in the same way. Anti-corporate politics is not enough. We have to show how business can play a different role in society, one in which it shares in the sacrifice and in which we expect corporations to think in the long term, beyond today's stock price.

Conservative means

to progressive ends is a perspective, not a program. It doesn't solve the problem of writing a simple statement of principles. But it helps explain why it's been so difficult, as well as the mental barrier we have to get over to write it. If we can own and appreciate the conservatism we've been handed, we can show the path back to a world where a philosophy of hope is meaningful. **TAP**

*We'd prefer the
language of Great
Society; we are
saddled with the
language of simply
restoring sanity.*

Campaigns Are Destiny

BY NEERA TANDEN

AS GEORGE W. BUSH GROWS ACCUSTOMED TO JOB-approval ratings in the middle 30's, the number of explanations for his travails seems to increase by the day.

In this case it's not success, but failure that has a thousand fathers: the bungling of Katrina, his drive to privatize

Social Security, the mistakes in Iraq, even obstructionist Democrats. The list goes on.

But here's another theory: The president's low approval ratings are the result of the intensely negative type of campaign he chose to run.

A campaign forms the basis for the public's expectations of how the candidate will govern once in office. And Bush, instead of telling Americans what he had accomplished and what he would do once reelected, ran the most negative presidential campaign in history. He spent \$177 million on the highest number of negative ads—a whopping 101,000—and the lowest number of positive ads of any presidential campaign in modern time. And he was the incumbent! He won by the narrowest margin of any incumbent since 1828, but he won.

The focus on an almost purely negative campaign meant that he built little support across the country for his agenda. But Bush and his team failed to see this. Believing their own hype, they saw the election results as an affirmation of their key policies, but in fact they were nothing of the sort because those key policies were hardly even discussed. Social Security is the most obvious example. Sure, Bush mentioned privatization as part of his stump speech. But he discussed privatization just five times during the debates, while he mentioned Iraq 73 times. And *The New York Times* and *The Washington Post* ran only two stories apiece on the subject during the campaign. A

campaign in which Bush had spelled out his proposals would have been a campaign in which we would have had an actual debate about privatization. But Bush kept his plans for Social Security intentionally vague during the campaign. He didn't want the debate in the short term, but in the long term, he damaged himself.

On Iraq as well, Bush said the election affirmed his policy. "We had an accountability moment, and that's called the 2004 elections," he told *The Washington Post*. A year later, given the 35 percent approval rating for his handling of Iraq, clearly the American people wish the accountability moment had lasted a bit longer. It is obvious to all but the most partisan of supporters that the 2004 election was not an affirmation of President Bush's Iraq war plan.

But there is a deeper way in which Bush's campaign has dictated his downward trajectory.

In campaigns, the attacks that candidates make against their opponents define them almost as much as their positive agenda by creating a negative narrative of their opponents. Candidates use their negative message to highlight a contrast with their opponent that helps define themselves positively. Bush laid out a clear message about his opponent—

John Kerry was a flip-flopper who couldn't be trusted to fight the war on terror. This reinforced his campaign's narrative that Bush was strong and resolute and would not flinch. When Bush did something unpopular, he turned it to his advantage by saying he did what he thought was right and didn't follow the polls. He wouldn't be one to zigzag.

But now we see the downside of this message of resoluteness: Bush has made it difficult to change course to reflect new realities. And though he has made some changes in his time (he was against a new Homeland Security Department before he was for it), for the most part he has held on to failing policies despite changed circumstances. So he has stayed the course in Iraq despite ample evidence that this has made the occupation more dangerous for U.S. soldiers. Similarly, he has passed more tax cuts despite massive deficits, and maintained every member of his senior team even until one was indicted. What used to be resoluteness is now a stubbornness divorced from the reality Americans see every day. His inability to change course furthers the sense that he's out of touch with people's concerns.

When he does change course, it seems disingenuous and political. So, rather than receive a positive bump when he uncharacteristically apologizes for the mismanagement of Katrina, or withdraws his nomination of Harriet Miers, as most politicians would, Bush's downward trajectory continues. If he changed course dramatically on issue after

issue Bush would become that which he has maligned.

The president's campaign created this box. It is a box of his own making, but it is a box nonetheless. And it will be very difficult for him to unlock it. **TAP**

Neera Tanden is senior vice president for academic affairs at the American Progress Action Fund in Washington.

Where did Bush's current problems begin? With his intensely negative, and agenda-free, 2004 campaign.

Q ■ Why do more than 900,000 teenagers sell drugs¹ but not alcohol or cigarettes?

A ■ Because alcohol and tobacco are regulated and sold through stores.

According to the federally funded Monitoring the Future Survey, "Marijuana has been almost universally available to American high school seniors over at least the past 28 years."²

Since 1972 marijuana use by teenagers has increased from 14%³ to today where 16% of 8th graders and 45% of 12th graders have tried pot.⁴ In contrast, daily cigarette use by high school seniors has declined from 27% in 1975⁵ to 16% in 2004!⁶

Credible education — as opposed to exaggerated claims — actually works! Prohibition makes things worse: more availability, more violence, unidentifiable and possibly impure drugs, and a system that exploits teens to enrich drug dealers.

Marijuana prohibition puts our kids at risk — just as alcohol prohibition did.

COMMON SENSE FOR DRUG POLICY

H. Michael Gray, Chair; Robert E. Field, Co-Chair

www.CommonSenseForDrugPolicy.org , www.DrugWarFacts.org,

www.ManagingPain.org, www.DrugWarDistortions.org, www.AddictInTheFamily.org

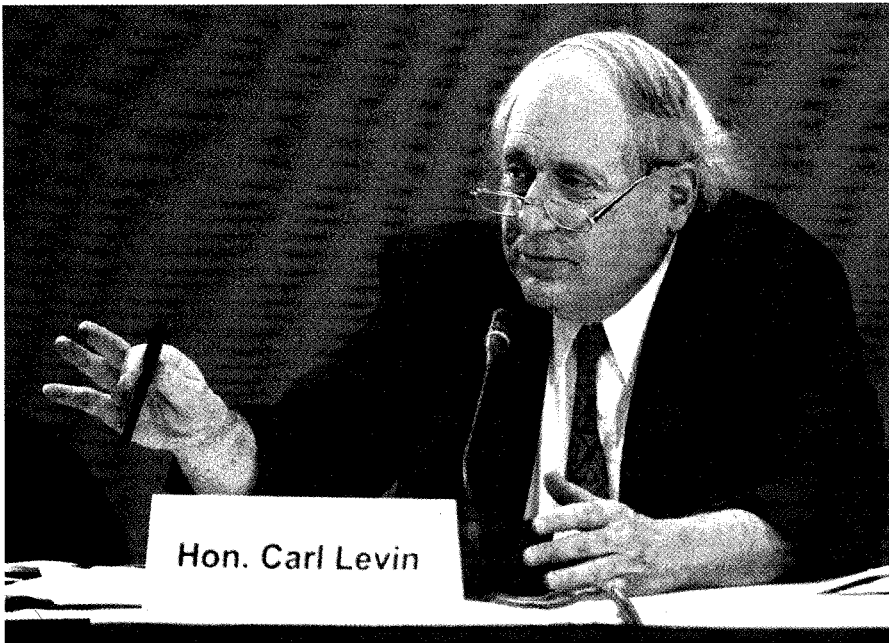
Notes:

- 1) "Alcohol Use and Delinquent Behaviors among Youths," April 2005, SAMHSA, USDHHS. 2) Monitoring the Future, "National Survey Results on Drug Use, 1975-2003: Volume I," 2004. 3) "Marihuana: A Signal of Misunderstanding," Natl. Comm. on Marihuana & Drug Abuse, March 1972. 4) Monitoring the Future, "Overview of Key Findings 2004," 2005 5) Monitoring the Future, "National Survey Results." 6) Monitoring the Future, "Overview."

Dispatches

"With Democrats declaring victory and urging [the return of] the troops, Bush, rather than they, would face a political dilemma."

— PAGE 16



Granite Crusher: Michigan Senator Carl Levin led the anti-New Hampshire faction.

THE DEMOCRATS

CALENDAR WHIRL

New Hampshire loses pride of place. But what will change accomplish?

BY SAM ROSENFELD

THEY MAY BE A BIT RUSTY AT WINNING presidential elections, but Democrats haven't lost an ounce of their storied devotion to mucking with party procedures. On December 10, assorted party bigwigs assembled in a cavernous ballroom at the Hyatt Regency Washington on Capitol Hill for the fifth and final meeting of the Democratic National Committee's (DNC) Commission on Presidential Nomination Timing and Scheduling.

Co-chaired by North Carolina Congressman David Price and former Labor Secretary Alexis Herman, it marked the latest in a seemingly endless line of blue-ribbon Democratic reform commissions

tasked over the last 35 years with forging a more democratic and desirable primary process: McGovern-Fraser, Winograd, Hart, the "Fairness Commission"—the list goes on. For two middle-aged audience members chatting behind me, it was déjà vu all over again. "I feel like Peter Pan at something like this—like I never grew up," said one. His friend corrected him: "It's more like *Groundhog Day*."

Such commission fatigue notwithstanding, this 40-member panel actually managed to break a bit of new ground, issuing a set of recommendations to the DNC that take aim at the privileged—and anachronistic—perch of New Hampshire's first-in-the-nation primary. With

only the two Granite State members voting "no," the commission approved two New Hampshire-diluting measures: The first inserts one or two caucuses between Iowa's kickoff caucus and the New Hampshire primary; the second adds one to two primaries to be held quickly after New Hampshire, sooner than other primaries can be held under current by-laws. New Hampshire's primary thus would remain nominally "first in the nation," but its totemic influence would be weakened considerably.

THE VOTE CAPPED OFF A YEAR OF sometimes rancorous battling over the primary calendar—though with the ultimate decisions now in the hands of the DNC, the fight is far from over. What all this sound and fury actually signifies, however, remains an open question.

Though straightforward resentment at unearned advantage explains a good deal of Democratic critics' long-standing animosity toward Iowa and New Hampshire, "diversity" and "inclusiveness" were the preferred vocabulary of the Price-Herman commission members. The demographically unrepresentative nature of the lily-white Hawkeye and Granite states is undeniable: Iowa's population is 2.2 percent African American and 3.7 percent Hispanic; New Hampshire is 0.8 percent African American and 2.1 percent Hispanic (it's light on union members, too).

This most recent effort to rewrite the party's calendar stemmed from the tenacious lobbying of Michigan Senator Carl Levin, who began pushing his state party six years ago to unilaterally schedule its caucus on the same day as New Hampshire's primary, in contravention of the DNC's rules—thus risking the national party's refusal to seat Michigan's delegates at the Democratic national convention. In 2003, Levin was joined by Debbie Din-

gell, a longtime party activist and wife of John Dingell, the longest-serving member of Congress. Then-DNC Chairman Terry McAuliffe got them to back down only by promising to appoint a commission to address the question of Iowa and New Hampshire after 2004. The Price-Herman commission, which included both Dingell and Levin, boasted a reform majority embodying a cross section of Democratic constituencies that were scarce in those two states, as well as a coalition of advocates for the addition of western states to the early part of the schedule.

Few, however, question the ferocity with which New Hampshire guards its prerogatives in this process. Granite State pride—and Granite State coffers, which swelled by \$264 million because of primary-related economic activity in 2000, according to one study—are on the line. New Hampshire law stipulates that the state must hold its primary seven days prior to any “similar election”

in another state. The commission, interpreting “similar election” to mean “primary,” recommended inserting one or more caucuses between Iowa’s and New Hampshire’s so as not to contravene the statute. New Hampshire’s secretary of state, Bill Gardner, has offered no indications that he agrees with that interpretation. “The law doesn’t define ‘similar election’ and gives us total freedom,” he told *The (Manchester) Union Leader* in late November.

This amounted to a threat to unilaterally move New Hampshire’s primary ahead of any new contests—and to dare the DNC not to seat the state’s delegates as punishment. Gardner was joined in the push-back effort by state party Chair Kathy Sullivan and former Chair Joe Keefe, who floated a “compromise” proposal that would uncompromisingly keep Iowa and New Hampshire in front. Keefe also dashed off a letter to Price and Herman in November condemning their efforts to un-

dermine New Hampshire’s status and threatening to “prevent such an outcome by whatever means necessary.”

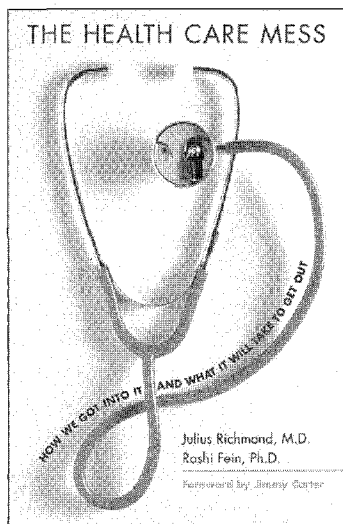
Coming as it did before the commission had made any final decisions, New Hampshire’s power play infuriated other members and provoked a flurry of anonymous carping in the press. Sullivan, however, is unapologetic. “I had not envisioned that the commission would be derailed from a discussion of all of the important aspects of the nominating calendar,” she says. “The commission was sidetracked into just addressing an issue that’s of concern to Carl Levin.”

But the preponderance of voices in the party advocating change made a successful rearguard action by New Hampshire highly unlikely at that stage of the game. When the report was approved, commission members praised it as an incremental step toward greater geographical and constituent diversity. Levin seemed appeased, though only barely so. “The recommendation falls short,” he said, “but it’s at least a crack in the wall of privilege that two states have erected around themselves.”

The fight is not over, though. The DNC’s Rules and Bylaws Committee will now consider the commission’s recommendations. DNC Chairman Howard Dean has remained resolutely mum on the changes, though it is said to be likely that he will sign off on the committee’s recommendation. Price says he is urging the committee to move on the recommendations quickly, before lobbying (and fighting) among various states turns too frenetic. Though Sullivan assured the *Prospect* that New Hampshire will continue to plead its case through the next stage of the process, momentum and prevailing party opinion are not in its favor.

Meanwhile, commission member and Colorado-based political strategist Mike Stratton says he’s certain that the committee will agree to the recommendation to insert at least one new, pre-New Hampshire caucus state, and that state will likely be a western one. Nevada is his pick for likeliest. “We’ve talked about making sure we include battleground states, diverse states, and states with good union populations,” he says. “Nevada qualifies all the way around.”

**JULIUS B. RICHMOND, MD
RASHI FEIN, Ph.D**
**THE HEALTH
CARE MESS**
**HOW WE GOT INTO IT AND
WHAT IT WILL TAKE TO GET OUT**



“From their vast experience as both policy-makers and respected scholars, Richmond and Fein have produced an authoritative account of the circumstances that created our present predicament and, more important, a thoughtful roadmap for how we can extricate ourselves from the quagmire.”

—Jordan J. Cohen, M.D., President,
Association of American Medical Colleges

“Highly readable and carefully referenced, this is a guided tour over the very complex terrain of American health care.”

—Jeremiah A. Baroness, M.D., President,
The New York Academy of Medicine

“Two of the giants of American medicine, public policy, and health policy have combined to produce a masterpiece detailing how our healthcare system came to be what it is, and how we can take it to the next level—providing quality care and access for all.”

—David Satcher, 16th US Surgeon General
and Assistant Secretary for Health

new in cloth / read an excerpt on our web site

WWW.HUP.HARVARD.EDU HARVARD UNIVERSITY PRESS

WHAT, IN THE END, WILL THIS ALL amount to? Perhaps not much. On questions of basic fairness, diluting the influence of Iowa and New Hampshire in the process is an all but unarguable goal. Granting a greater role to western states demonstrating strong Democratic growth potential in recent years also makes sense, even if claims about the potential party-building effects of such primary calendar reforms are overstated. But as the Brookings Institution's Thomas Mann cautioned in his testimony to the commission last spring, procedural reforms tend to have less of an effect than Democrats expect, and the history of such process reforms does not bear much evidence of producing different (let alone

more optimal) outcomes from one reform regime to the next.

A look at the Republican Party's approach to the issue of primary-calendar structure and reform might be instructive. "For the most part they've been less seized by the rules and the process," says Mann. "They devote less time and attention to these matters than Democrats." Obviously the top-down organizational instinct of Republicans fundamentally ill-suit earnest, process-oriented Democrats, for whom "small-d" democracy remains an end in itself and freedom is an endless meeting—or commission. But it will behoove Democrats desperate to end their electoral dry spell to keep in mind that process is not destiny. **TAP**

CAPITOL HILL

MILLER'S TALE

How one effective and largely unsung congressman beat the president.

BY GARANCE FRANKE-RUTA

IN A YEAR MARKED BY DEMOCRATS' increasingly audacious push-back against Republicans, one move stood out for its legislative moxie and for the very public defeat it dealt the president. Nine days after Hurricane Katrina devastated the Gulf, George W. Bush suspended the 1931 Davis-Bacon Act, a law Republicans have wanted to do away with for decades. The law requires federal contractors to pay workers the prevailing wage in the community where they work, and it would have ensured that companies like Halliburton that were tasked with doing post-hurricane clean-up work couldn't reduce wages offered to the newly destitute citizens of Louisiana and Mississippi.

Democrats complained, but they didn't do anything—until a month and a half later, when Congressman George Miller used an obscure provision of a 1976 law to force Bush to reverse course. The law, the National Emergency Act, was the Watergate-era product of Senate concerns about Richard Nixon's imperial presidency, and it reclaimed for Congress power to countermand the president's authority to declare a national emergency

and suspend laws. By introducing a joint congressional resolution to terminate a president's emergency declaration, a legislator could be guaranteed a fast-track vote on it, and restore any laws whose suspension Congress did not support.

The provision had lain dormant for 29 years, forgotten until Miller found it was uniquely suited to our present era of imperial and imperious presidential action. Miller knew that he had enough support from labor-friendly Republicans that the suspension of Davis-Bacon would be voted down in Congress once the Emergency Act's trigger allowed the open vote that the Republican leadership was refusing to hold. Bush quickly realized the same thing and decided to spare himself the humiliation. Within two weeks of Miller's action, Bush reinstated Davis-Bacon. Labor leaders cheered, and Democrats across the country perked up at the sight of the president outfoxed. But for Miller, it was just another day at the office.

MILLER, INDEED, IS THE MOST IMPORTANT Democratic tactician you've never heard of. In the past year, there has

been precisely one lengthy profile of him inside Washington, and none in any of the major national papers. And yet, in an environment where Democrats have been almost wholly stymied by the Republicans' iron grip on power, Miller has repeatedly come up with innovative ways to defend progressive interests. "They have so corrupted the rules of the House of Representatives that you essentially have to engage in guerilla activity to try ... to get a vote on a matter," says Miller, who has become expert in the range of alternatives available during this time of one-party rule. "We've just tried to be as creative as we possibly could be."

When Republicans refused to conduct congressional oversight hearings, Miller requested agency inspector-general investigations into Department of Education funding of propaganda in American newspapers, and into a highly unusual agreement between Wal-Mart and the Department of Labor. He pioneered the first ever "e-hearing" when he couldn't get his committee to hold an official one on the attempt by United Airlines to default on its pension obligations. Then, he parlayed the more than 2,000 letters he got from United employees through that e-hearing into Republican votes on a later amendment, which passed the House (though not the Senate), backing the employees.

He even managed, in 2004, to use a simple Republican failure to formally dismiss a conference committee to force a vote on an amendment—attached to a bill that had been abandoned!—dealing with onerous new overtime rules, thereby forcing Republicans into an on-the-record vote on the issue. "He's a legislator, not a press hound," says his California colleague Howard Berman with admiration. "He isn't doing things for the purpose of getting known, he's doing things for the purpose of having an impact."

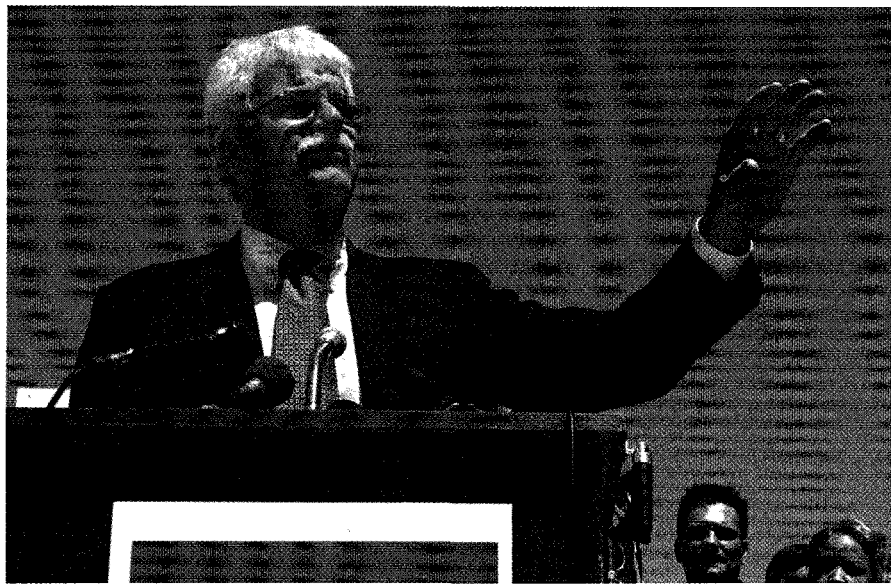
Representing northern California's 7th District, which stretches from the Mare Island Naval Base to anti-war protestor Cindy Sheehan's hometown of Vacaville, Miller has quietly become one of the most respected and powerful players in the House. In addition to co-chairing the Democratic Steering and Policy Committee

and being the ranking member on the Education and Workforce Committee, Miller is a close friend and strategic adviser of House Minority Leader Nancy Pelosi, whom he's known for more than 30 years.

"He's certainly the most influential Democrat in the House who's not in the leadership and maybe more influential than some who are," says Henry Waxman, who's also known Miller for three decades, since they came to Congress in 1975 as Watergate babies. Most of that idealistic generation is now gone, leaving Miller the 11th most senior member in the 435-person

Springsteen posters.) A small plaster statue of Phillip Burton looks out over the room from atop a bookshelf like a beatific, if passionately gesticulating, guardian spirit.

Miller is a protégé of Burton's, the legendary California legislator who narrowly lost the 1976 race to be speaker of the House, but nonetheless accumulated more power than any liberal before him, according to John Jacobs' biography *A Rage for Justice: The Passion and Politics of Phillip Burton*. Burton, like Lyndon Johnson, was a master wheeler and dealer,



The Good George: Miller's Davis-Bacon victory over Bush was a function of experience—and staff work.

House, and one of the most legislatively experienced members in the Democratic Caucus. *National Journal* magazine, last July, dubbed him the Democrat's "shadow leader."

Miller himself pooh-poohs this when we meet in the homey office he's occupied for the past dozen years. True to his reputation for modesty, in a room with two plush leather chairs and one small functional one, the silver-haired Miller, despite his hulking frame, seats himself in the small one. The walls are lined with progressive posters from the 1950s—when his father, former California State Senator George Miller Jr., held office and fought for early anti-discrimination laws to the Central American conflicts of the 1980s to a "No Blood for Oil: Bring the Troops Home" poster that dates to the Persian Gulf War. (There are also Bruce

who loved using the arcana of procedure and whipped up bipartisan alliances to pursue his progressive agenda. Miller has followed in Burton's footsteps as a deft legislator and advocate for the environment—awards from the Natural Resource Defense Council and Friends of the Earth dot his office—and working people. "If we could clone him," Pelosi says she's often told people over the years, "everything would be right with the world."

MILLER'S USE OF THE WATERGATE-era law to undo Bush's suspension of Davis-Bacon took him back to one of the first pieces of legislation he'd voted for upon joining the House, though he did not recall the law at first. Asked how he unearthed it, Miller quipped: "Great staff." Adds a Miller aide: "When you're in the minority on the House side, it's impossible

to get a vote. It's impossible to do anything. Miller doesn't accept that."

It took Miller and his staff three weeks of discussions after coming upon a September 2005 Congressional Research Service report on the history of emergency provisions to figure out how to use the law and present it in such a way that the House parliamentarian would accept it. "We had a lot of negotiations with the parliamentarian who basically said, 'I don't believe it, but I think you guys are right, you probably are entitled to a vote,'" recalls Miller.

It was a vintage Miller move. "It was very skillful how he did that," says David Bonior, the chairman of American Rights at Work and the former House Democratic whip. "There was no support for doing away with the prevailing wage. He knew there were 30 or 40 Republicans who supported [him], and he put the pressure on them to pressure the president so we could get this done."

Miller has been fighting the Tom DeLay machine since before Bush took office. In the late 1990s, he was the ranking Democrat on the House Resources Committee, where he spent four years fighting the corrupt network of lobbyist Jack Abramoff in an attempt to protect the rights of immigrant guest workers brought into the sweatshops of Saipan, in the Commonwealth of the Northern Mariana Islands, by extending mainland labor and immigration laws to the islands. At the time, he didn't even know that Abramoff was the man behind the curtain. "We didn't know we were pushing against them because they were underground at the time," recalls Miller. "We didn't know why we couldn't get a bill out of our committee or to the House floor when it passed with bipartisan support in the Senate."

But now that he—and the rest of the Congress—know, Miller hopes more congressional investigations can get to the bottom of the matter. "I want to know how was it that we got screwed in that effort," says Miller. And if the Republican House continues to avoid its mandated oversight role, then Democrats will just have to be more creative, he says: "Were going to try to show the same kind of persistence we showed in the overtime fight and the Davis-Bacon fight." **TAP**

IRAQ

MIND THE GAP

Democrats' policy disputes on Iraq are tiny. Political disputes are not.

BY MATTHEW YGLESIAS

IT TAKES A UNIQUE SORT OF ADMINISTRATION to decide that the reason its almost three-year-old war shows no signs of concluding successfully is that the president hasn't given enough speeches yet. But on the morning of November 30, the commander-in-chief was trotted out to do just that before an audience of midshipmen at the U.S. Naval Academy in Annapolis. That same morning, the White House released a grandiosely titled "National Strategy for Victory in Iraq" under the imprimatur of the National Security Council, which apparently had time to spare from its job of coordinating American foreign policy to engage in some political propaganda.

As a policy document, the "plan" is a bad joke. Most simply, the elements of the strategy, which relate overwhelmingly to training Iraqi troops, are unrelated to the war's aims of creating an Iraq that is "peaceful, united, stable, democratic, and secure" as well as "a partner in the global war on terror...integrated into the international community ... proving the fruits of democratic governance to the region." Plenty of countries with perfectly competent security forces (Iran, North Korea, or, for that matter, pre-war Iraq) are none of those things. The document's goals relate to the transformation of Iraqi society, while the means at hand—killing terrorists and training soldiers—have no capacity to achieve those things.

Nor are trends heading in a favorable direction. The Bush speech was bracketed on the one hand by press reports that the Shiite-dominated Iraqi government is sponsoring anti-Sunni death squads, and a *Los Angeles Times* account of the Kurdistan Regional Government striking freelance oil deals without permission from the central government.

But if Bush's "victory strategy" is unlikely to bring success in Iraq, it has won

a signal domestic triumph: discomfiting the administration's political adversaries.

BACK IN MID-NOVEMBER, BEFORE Bush spoke, Democrats had seemed dangerously close to developing a reasonably unified, politically appealing approach to the war, symbolized by a Senate resolution demanding that the administration produce a plan for ending the war and set conditions whereby Congress could hold the White House accountable for failures. Republicans killed the measure, but they felt that in order to oppose it credibly, they needed a watered-down version of their own. That resolution passed 79 to 19, and it was successfully spun by Democratic Leader Harry Reid as a "vote of no confidence" in Bush, and prompted quick denunciations from the hawkish press.

With his speech, Bush succeeded in at least momentarily regaining the initiative and leaving the opposition unsure of how to respond. Part of the Democrats' trouble is that little agreement exists as to what strategy it is they're fighting. According to one influential school of thought adhered to by much of the center-left foreign policy community, the White House is essentially embracing withdrawal while claiming the reverse. On this theory, Bush's statement that troops will be withdrawn only as progress is made on the ground will be paired with the administration's habit of pretending progress is taking place, in order to allow America to exit Iraq as rapidly as possible while still painting Democrats as weak-kneed appeasers. In a rival account, more popular among activists, just the reverse is happening: Bush is merely trying to put a new rhetorical spin on the "stay the course" policy he's been implementing for over a year.

As a consequence, Democratic unity appeared to vanish within hours after the

speech, prompting headlines like "Democratic Lawmakers Splinter on Iraq" in *The Washington Post* on December 2. House Minority Leader Nancy Pelosi, in a move moderate Democrats viewed as both unwise and ill-timed, chose the afternoon of Bush's speech to join Pennsylvania Democrat John Murtha in calling for withdrawal from Iraq as soon as possible. Soon afterwards, Steny Hoyer, Pelosi's number two and on-again off-again rival, took issue with her stance, saying, like the White House, that "a precipitous withdrawal of American forces in Iraq could lead to disaster."

On the Senate side, Reid's effort to delegate the task of offering a quasi-official response to Jack Reed, a former Army Ranger with a historically low national profile, ran into trouble, and the previously unified caucus was soon squabbling. Colorado freshman Ken Salazar praised Bush's speech as a step in the right direction, one that "begins to address the Senate's call for a successful exit strategy." Ted Kennedy, by contrast, saw it as merely "lipstick put on to the administration's old plan."

In reality, Democrats (with the exception of Joe Lieberman, who's moved toward full-scale apologetics for the administration) are closer to consensus than they appear. Though plans proliferate in the Senate, as Democratic Leadership Council Vice President for Policy Ed Kilgore observes, the differences "are rhetorical and increasingly meaningless," with different terms—"timetables," (occasionally "flexible" ones), "schedules," "estimated dates," etc.—"intended to send political signals to the left, right, or center rather than to express any meaningful policy differences."

Even the Murtha-Pelosi stance is not as different from the Senate consensus as it appears. Murtha wants to withdraw troops "consistent with the safety of U.S. forces." Devising an operational plan for doing so would take time. Martin van Creveld, an Israeli military historian who is required reading for American Army officers, has estimated that implementing such a plan would "require several months and incur a sizable number of casualties." Murtha's plan envisions the cre-

ation of an “over-the-horizon” force to conduct counterterrorism operations in Iraq. As Brookings scholar Ivo Daalder observes, the “main difference is that Murtha would deploy these forces in Kuwait,” while most other plans envision a residual force staying in Iraq.

BUT IF POLICY DIFFERENCES ARE RELATIVELY small, differences in political strategy are important, especially for an opposition party that gets to implement policy only if it starts winning elections first. To the frustration of strategists, public opinion on forward-looking policy is fundamentally ambivalent, with polls showing an extreme sensitivity to how questions are phrased and which options are put on the table. It’s clear that only about a fifth of the population supports an “out now” view. But it’s also clear that a majority is disgruntled with the war and would like to see it end sooner rather than later. At the same time, Americans aren’t ready to embrace defeat.

Under the circumstances, harsh criticisms of what the administration has accomplished thus far—like many Democrats’ proclivity for drawing attention to the Bush administration’s habit of overstating the achievements of the training program for Iraqi security forces—are to some extent counterproductive, dragging Bush down but also reinforcing the view that leaving the country would represent an unacceptable failure. More upbeat rhetoric, like Hillary Clinton’s claim in a November 29 letter to constituents that “we are at a critical point with the Dec. 15 elections that should, if successful, allow us to start bringing home our troops in the coming year” helps Democrats make the case for withdrawal while avoiding the taint of defeatism.

What’s needed, however, is a way to combine such an approach with steady pressure on the administration to proceed more quickly toward an exit. The quantitative formula put forward in a little-noticed plan from Michael O’Hanlon, a Brookings fellow and invasion advocate, and Bill Danvers, a former Clinton National Security Council staffer, might do the trick—pledging to “reduce the foreign military presence by one soldier for every

two Iraqi soldiers” who reach the first or second tier of readiness. With Democrats essentially declaring victory and urging the administration to bring the troops home, Bush, rather than the opposition, would face a political dilemma. Either he could agree to demands for steady reductions in troop levels, or else he could explain the need for a sustained deployment with reference to failures of his own administration’s policies.

Harsher liberal criticism could be focused away from the war’s conduct to its origins, where public opinion has swung

to the anti-war side in a much more clear-cut way. Democrats made substantial gains on this front in October and forced some action on the much-delayed second round of a Senate inquiry into the use of intelligence that should provide fodder for further attacks. Passing up the opportunity for cheap shots—and even accurate criticisms—of the White House’s habit of viewing Iraq through rose-tinted glasses would be galling to many, but it’s the best way to produce substantive pressure to end the war in a politically viable way. **TAP**

THE LAW

PROPERTY WRONGS

In Kelo’s wake, a raft of anti-regulatory initiatives from the right

BY JENNIFER BRADLEY

ONE OF THE MOST IMPORTANT Supreme Court rulings of the last few years was not about church-state issues, affirmative action, or even the war on terrorism. It was about real estate—15 houses located in a forlorn part of southeastern Connecticut called New London.

On its face, the case, *Kelo v. New London*, which was decided earlier this year, was a victory for New London and other flailing cities that have tried to remake tired, depleted neighborhoods into glittering urban showplaces using the power of eminent domain. *Kelo* held that local governments looking for redevelopment sites that might require condemnation could look throughout a municipality, rather than restricting their search to blighted areas most likely to be inhabited by poor and minority residents. In affirming that middle-class residents, not just the poor, should share the often intensely felt costs of urban improvement, the case was actually rather progressive.

But now, several months after the June 2005 ruling, it seems clear that *Kelo* was a pyrrhic victory—for cities desperately trying to stem the tide of people, jobs, and tax dollars flowing to the suburbs, for the idea that everyone has a

stake in redevelopment, and for those who believe that one of the central tasks of government is to balance individual rights with community health, safety, and prosperity. Conservative strategist Grover Norquist has deemed the *Kelo* decision “manna from heaven” for the property-rights movement, and predicted, “20 years from now, people will look back at *Kelo* the way people look back at *Roe v. Wade*,” as an unpopular decision that galvanized the losing side and created a decades-long legal and cultural battle. For the property-rights movement, the *Kelo* loss could turn out to be better than a win.

In 1998, when it embarked on its redevelopment plan, the tiny city of New London was dying. It lost 30 percent of its residents between 1960 and 1998. About 1,800 of the town’s 23,860 remaining residents were unemployed. Federal military base closings in 1996 had taken one of the town’s major employers, the Naval Undersea Warfare Center, which had once employed 1,500 people at a waterfront site in a neighborhood called Fort Trumbull. In February 1998, in the first bit of economic good news in years, the Pfizer pharmaceutical company announced it would build a new research facility next to the same neighborhood.

Over almost two years, the city explored how to build an economic revival in Fort Trumbull that would reach the rest of the city. The final redevelopment plan that the City Council approved would remake 90 acres of Fort Trumbull, and included new roads and infrastructure, a museum, a marina, and a riverwalk alongside office towers, shops, and condominiums. All told, it would bring between 1,200 and 2,300 jobs to the city. Two Connecticut courts agreed that this plan was not conceived to benefit Pfizer or any private developer. This is the public purpose that the Supreme Court upheld in *Kelo*: a redevelopment project that would create hundreds of jobs, new public amenities, and a chance for a city to reverse its long, grim decline. The decision was the latest in a long line of cases in which the court upheld the notion that government has the right, sometimes even the duty, to intervene in the economy.

Opponents of the decision have complained that *Kelo* allows cities to blithely take one person's property and transfer it to the highest bidder. That is simply false. As the court wrote in *Kelo*, "[I]t has long been accepted that the sovereign may not take the property of A for the sole purpose of transferring it to another private party B, even though A is paid just compensation. ... [T]he City would no doubt be forbidden from taking petitioners' land for the purpose of conferring a private benefit on a particular private party." The *Kelo* case was not about a town selling out hardworking families and little old ladies to a rapacious corporation. It was about a desperate place trying to keep itself and its citizens afloat.

Although a paper victory, *Kelo* has created a massive backlash and ultimately may be a practical defeat for many cities. Just days after the decision, the Institute for Justice, a libertarian law firm that represented Susette Kelo and her neighbors, launched a \$3 million campaign to change state and local condemnation laws. In the legislative sessions that convene in January, legislators in almost half the states will consider new laws that forbid eminent domain for the purpose of economic development. Proposed federal bills, including a Senate appropriations

rider and a bill that passed the House 376 to 38 in November, would also prevent state and local officials from using federal funds for economic development projects that use eminent domain.

But the property-rights movement is not stopping at eminent domain. They want to extend the electric unpopularity of *Kelo* to cripple governments' ability to protect the environment, endangered species, the rights of neighboring landowners, and the community. Their argument is simple: There is no difference between government's condemning your property through eminent domain and government's regulating your use of your own property, for example by forbidding land owners from building on sensitive wetlands, which control floods and filter flowing water, or de-

property, but not an unlimited right to do whatever we want with it. Our exercise of our property rights has a tremendous effect on our neighbors' property and their rights. Courts recognize this complicated intertwining. The property-rights movement, by contrast, ignores it.

The property-rights movement is already using the *Kelo* decision to frame the debate over the Endangered Species Act (ESA), arguing that changes in the law are necessary to shore up property rights under attack by the court. "Americans have clearly seen, through the recent Supreme Court ruling in *Kelo v. New London*, that local governments can now take private property for any scheme they can devise. However, the precedent for such cavalier disregard for property rights

The property-rights movement is already using Kelo to frame the debate over the Endangered Species Act, arguing that changes in the law are needed to shore up rights under attack by the court.

stroying the habitat of endangered species or the species themselves. As Bill Moshofsky, the president of Oregonians in Action, a leading property-rights group, wrote last summer, "Regulations that reduce the value of public land to provide public benefits are no different than taking private land for roads, public buildings or wildlife preserves. Yet the courts have required compensation for every foot of land taken for roads, buildings, or preserves, and no compensation for land taken by regulations."

This argument muddles two different lines of constitutional inquiry. The Constitution's fifth amendment states, "[N]or shall private property be taken for public use, without just compensation." The condemnations at issue in the *Kelo* case, like all condemnations, were clearly takings of private property and required compensation. By contrast, regulations that leave property in the hands of the owner but limit what he or she can do with it rarely constitute takings. The difference has been long recognized in American law: We have a right to own

comes directly from the ESA," fumed an article by activist Tom DeWeese of the American Policy Center. Republican Congressman Richard Pombo from California has tried repeatedly since his election to Congress in 1992 to gut the act. At a rally last fall, he said about *Kelo*, "This may be the court decision that makes American realize we are losing those rights" to private property.

A few days after the *Kelo* decision came down, a draft summary of Pombo's Endangered Species Act "reform" bill was leaked to environmental groups. The draft would have required the federal government to pay property owners when protections for endangered species would have reduced the value of a portion of their property by more than half. In other words, if an endangered toad lived on one acre of a 10-acre ranch, and the value of that single acre fell by more than 50 percent, the owner would have a claim against the federal government.

Predictably, Pombo's draft bill was savaged by environmentalists. But it was also attacked by his usual property-rights al-

lies, furious that the compensation standards did not go far enough. One said the bill “should be renamed *Kelo 2*.” A letter signed by 80 property-rights and conservative activists, including Paul Weyrich and Phyllis Schlafly said that with *Kelo*, “Such blatant disregard for property rights and the Fifth Amendment sent shockwaves throughout the nation.” The 50 percent compensation provision, they said, was “wholly insufficient” and a “weak acknowledgement of property rights.”

Pombo apparently was swayed. The final version of the Threatened and Endangered Species Recovery Act (TESRA) enables an owner to receive 100 percent of the fair market value of “foregone uses” of her property that would harm endangered species. This is an invitation for unscrupulous landowners to file specious claims. They might build a shopping mall, for example, but are forbidden from doing so by the Endangered Species Act, and force the government to pay up. The bill flew from introduction to passage by a 229 to 193 vote in

the House in just 10 days in September.

You can expect more of these post-*Kelo* efforts going forward. By likening regulations that protect the environment, the rights of other landowners, and the community to the unpopular *Kelo* condemnations, property-rights extremists intend to continue their decades-long project of delegitimizing government regulation of property. Progressives can, and do, disagree about the merits of New London’s project. But they should be clear that the *Kelo* case is being used to fuel a fight not over eminent domain, but over the legitimacy of government’s ability to do what has always done—balance the rights of individuals with the communal good. **TAP**

Jennifer Bradley is an attorney at Community Rights Counsel, a public interest law firm that represents state and local governments. She co-authored an amicus brief submitted to the Supreme Court in the Kelo case. The opinions expressed here are her own.

ISRAEL

SLIGHTLY UN-ORTHODOX

Silent no longer: Religious gay men and lesbians start speaking out.

BY SARAH WILDMAN

TOVA ROSENBERG (NOT HER REAL name) lives in Rosh Pina, a little hippie town in the Galilee region of Israel that overlooks the Hula Valley. She is pretty in an unadorned way—her long red hair is cut in a blunt straight style, her glasses are wire and speak to function over form, and her face is bare of makeup. She wears a zip-up sweatshirt and cargo pants, and she looks more like an American teen than a 26-year-old woman who has endured years of anxiety and bitterness.

Rosenberg is a lesbian from an Orthodox Jewish family in Jerusalem. Her parents were *hozrei b’tshuvah*—secular people who “returned” to faith in their late teens. It took her years to come out; she felt she was “evil” and went out with at least “20 guys” on pre-arranged

matches hoping something would spark. When she finally did come out to her family, her mother tried to send her to “change therapy,” the Jewish equivalent of programs run by Christian fundamentalists in the United States. “[My mother] calls it the end of her life,” says Rosenberg, who fled Jerusalem for Rosh Pina only a few weeks ago. It is about as far away as one can get from one’s parents in this tiny country. She is here because she is in love, and her girlfriend, Noga, hovers near her throughout an interview. Rosenberg’s parents have told her that they will cut off all contact with her if she moves in with another woman, so she has not told them about Noga.

You might think, given the rejection of her parents and her Orthodox religious community, that Rosenberg would have

rejected her upbringing. But she is still Sabbath observant, still kosher, still Orthodox. Indeed, she is part of a growing movement in Israel of gay and lesbian Jews who refuse to reject Orthodoxy and are trying instead to force Orthodoxy—and the secular gay world—to accept them as they are. “It’s not a question to be religious,” Tova says, noting the same of being a lesbian. “It’s just what I am.”

SOME 25 PERCENT OF ISRAELI SOCIETY is considered *dati*, or Orthodox. But that designation is hardly monolithic. There are “modern” Orthodox Jews who observe Shabbat and Kashrut but also dress and interact in a way that, for the most part, “blends” into mainstream society. Then there are ultra-Orthodox Jews who, to varying degrees, refuse to compromise with the secular world. But even these distinctions are simplistic; modern Orthodox and ultra-Orthodox Jews are themselves divided into innumerable sects.

The one thing that the branches of Orthodoxy share is a devotion to the word of the Torah, the five books of Moses. For those who know their Leviticus, this makes the question of same-sex love very, very complicated. “God also created lesbians,” says Tova, simply, articulating a sentiment repeated over and over again, from Rosh Pina to Tel Aviv.

“There is certain amount of [religious] compromise that every single Orthodox lesbian that I know has made,” says “Miriam-Esther,” an ultra-orthodox lesbian mother of 10. Miriam-Esther was featured (though never shown) in the 2004 film *Keep Not Silent*, which shadows three Orthodox women struggling with what it means to be lesbian. The question for gay men and lesbians who want to remain religious, she says, is, “How does one make peace with religious doctrine which denies legitimacy ... and at same time be nourished by religious doctrine?”

This dilemma often leads to a period of extreme self-denial to the point of severe mental trauma, says Russian-born Zeev Shveidel, now a lecturer on gay issues in Orthodoxy. As for himself, he explains, “I prayed and prayed it would go away. Then I searched the Internet for a cure and went to change therapy.”



Pais Power!: Participants in Tel Aviv's 2004 gay pride parade, and protestors at Jerusalem's parade the following year

In the last few years there has been a surge of newfound openness and political awareness among Orthodox gay men and lesbians in Israel—even the willingness to use the terms “gay” and “lesbian” is revolutionary. “I grew up in the States,” explains Miriam-Esther. “I’m already in a whole different place from the Israeli ultra-Orthodox.” Israeli Orthodox Jews have traditionally been more closed than their American counterparts. But—prompted in part by films on gay Orthodox Jews and the widespread use of the Internet (even though ultra-Orthodox rabbis have uniformly condemned the use of the latter)—this world has started to change.

“Until I was 20 I never heard the word ‘lesbian,’” says 32-year-old Avigail Sperber, the daughter of a prominent rabbi and the founder of Bat Kol, a new political and social group for Orthodox lesbians that has made her a media darling in Israel. Even after she met her first girlfriend, Avigail assumed they were alone in the world. The secular gay community provided no comfort. It was not something they could relate to, so they had to form their own gay liberation in a context that did. Sperber has made a point of welcoming publicity in an effort to give women and teens the chance to know that support exists.

What’s particularly amazing about the sense of isolation these activists and

others have felt is the prominence and political successes of Israel’s secular gay community. In the early 1990s, a series of court battles granted legal rights that dwarf those enjoyed by gay men and lesbians in the United States. In 1994, El Al Airlines flight attendant Jonathan Danilowitz won a decision in Israel’s supreme court granting him the right to extend spousal benefits to his longtime partner. Three years later, the court ordered the Israeli Defense Forces—which already allowed gay men and lesbians to serve openly—to give Adir Steiner the pension benefits after the death of his partner, Lieutenant Colonel Doron Maisel. Today, a handful of Israeli couples are awaiting word from the court about whether their Canadian marriage certificates will be honored in Israel. (There is no civil marriage in Israel because all matters of family are decided in a religious context.)

But even if you happened to miss these major legal milestones, it would be hard not to notice the parades every June. Tel Aviv Pride regularly draws tens of thousands of people into the street. But Tel Aviv is a secular—to the point of hedonistic—city with gay bars, gay gyms, and gay coffee shops. Jerusalem Pride is as much a political demonstration as it is a parade, and it has survived attempts to ban its existence as well as violence; last summer a marcher was

stabbed by an ultra-Orthodox protester. (Next summer Jerusalem will host World Pride, an international gathering that already has garnered an ecumenical condemnation from Muslim, Jewish, and Christian leaders.)

But the progression of gay rights in the secular world has occurred, like most everything else, in stark contrast to what happens for religious Jews. In Israel even the school system is divided into *dati* and *hiloni*, or secular. Children brought up in an Orthodox context—modern or otherwise—go to religious schools where they study the Talmud and the Torah as well as algebra and English. Recognizing that, Sandi Dubowski, the American director of the groundbreaking film *Trembling before G-d*, which was among the first to expose the dualities experienced by gay Orthodox Jews, took his film into the Israeli religious school system two years ago. He launched a program called Petach Lev (Open Heart). The film wasn’t aired for students but for school counselors, administrators, teachers, and rabbis. Tanya Zion, the Israeli administrator of the program, calls the effort an attempt to change the culture from the inside. “We heard stories of teachers saving [suicidal] students after seeing the film,” says Zion.

“Those that will make the revolution that can happen in the Orthodox world are not secular Jews like me,” says Hagai El-Ad, the director of the Jerusalem

Open House, a gay-rights organization. But El-Ad has observed the advancement. "Compared to Israel five years ago, you see the beginning of a different kind of language being used by significant Orthodox rabbis in this country. There is no doubt with regard to where this process is going. It's a process that needs to be nurtured, and we need to be patient about it, and also be aware of the anti-religious attitudes that sometimes exist within the gay community. There is some mutual responsibility here."

It's a sentiment echoed by those in the

Orthodox gay world. "Judaism has been around 3,000 years; it's not going to change overnight," says Miriam-Esther. "And yet, things are changing. Orthodoxy is changing. Even the most closed and insulated communities. They are starting with empathy."

Empathy is also what Tova Rosenberg is hoping to encourage: "I just feel if three parents read this ... this is what I can do to make this better." **TAP**

Sarah Wildman is a Prospect senior correspondent.

HEALTH CARE

TAX BREAKUP

Conservative think-tankers face an unexpected opponent: employers.

BY BARBARA T. DREYFUSS

EMLOYERS FACE NEW OPPOSITION in their efforts to rein in health-care spending, and it's not coming from the employees whom they are forcing to foot more of the bill. Instead, employers are at odds with their allies in the conservative think-tank world, who are mounting an all-out offensive to unravel the employer-based insurance system, which covers nearly 60 percent of Americans, by proposing to tax that benefit.

The rift between the conservatives and the employers surfaced recently after a report by a bipartisan advisory commission of academics, Wall Street insiders, and former members of Congress appointed by George W. Bush to recommend tax reforms. In November, that panel, after heavy lobbying by a coalition of right-wing activists, suggested that workers' health benefits be counted as income and proposed to cap the amount of insurance that could be offered tax-free.

The tax exclusion dates to an IRS ruling in 1943 that employees did not have to pay income taxes on the value of health benefits offered by employers. The decision sparked the growth of employer-provided benefits because it gave companies a way to attract scarce workers during the war when their options were limited by government wage controls. Today it is

the backbone of employer-provided health benefits. The tax exemption of health benefits saved Americans \$122 billion in taxes in 2004, consultants at the Lewin Group estimate; the average family saved \$1,482.

The panel's recommendation was modest in scope. But even so, it represented the first high-level push for altering the tax-free status of health benefits since the Reagan administration. "We took some sacred cows and put them into public discussion," boasts University of Southern California professor Elizabeth Garrett, a panel member.

The commission would have recommended total abolition of the tax break, claims Grace-Marie Turner, president of the conservative health- and tax-policy shop, the Galen Institute, which helped spark the proposal, "but said they felt there was too big an infrastructure built up to recommend that off the bat and that they would instead recommend a haircut."

Both Turner and Daniel Mitchell, senior research fellow at The Heritage Foundation, worked hard to convince the panel and its staff to propose a limit on the tax exclusion. They organized 49 conservative groups, including the American Enterprise Institute, Heritage, the Cato Institute, the Pacific Research Institute,

and the American Conservative Union, to back the plan. Members of this group spent hours with commission staff lambasting the tax exclusion and sent reams of paper to support their case. Several economists from the group testified at panel hearings.

There is little sign that either Congress or the president wants to spend much political capital right now on the panel's recommendations. But Turner vows that "we're going to do what we can to keep this issue front and center." And later this year, Treasury Secretary John Snow is expected to recommend a set of changes to the tax code. The proposed cap could be among those, or it could surface in Congress as a budget proposal.

IF AND WHEN THE BATTLE DOES START, the conservative think-tankers likely will be without their important natural ally: business. Employers were alarmed by the panel's proposal. National Association of Manufacturers (NAM) president John Engler called it "quite troubling." Employer groups decried it in discussions with Capitol Hill staff. The health-insurance industry rushed to warn politicians that a tax on health benefits won't win them votes. The industry trade group, America's Health Insurance Plans (AHIP), released a survey of voters in the three early presidential primary states of Iowa, New Hampshire, and South Carolina showing that nine-tenths of respondents did not want health benefits taxed.

The proposal would cause employers administrative nightmares and create more uninsured, warns Steven Wojcik, vice president of public policy at the National Business Group on Health, which represents many Fortune 500 companies. Others fear a virtual collapse of the employer-based system. "Most of us enjoy the coverage house the tax code built so many years ago," Neil Trautwein, assistant vice president of human resources policy at NAM, recently wrote in an e-mail to the employer and think-tank health-care community. "Damage or withdraw the twin supports (exclusion from employee income and deductibility for employers) and that house falls."

But tearing down the employer-based

system is exactly what conservative zealots want. They believe it is the fastest way to force individuals to spend their own money to directly purchase care or insurance and to understand its high costs. Immediately after the president's panel issued its report, a bevy of articles appeared on conservative Web sites saying the panel should have proposed a more dramatic plan. One, by Nina Owcharenko, a senior health-policy analyst at Heritage, called on Congress to use the opening offered by the tax panel to design an "alternative to employer-based coverage."

THE ALTERNATIVE THEY ADVOCATE IS called consumer-directed health care. That pleasant-sounding moniker was devised to feed off public resentment at the restrictions HMOs impose on enrollees. Its hallmarks are high-deductible insurance plans and health savings accounts, which mean large, out-of-pocket spending by consumers if they get sick. Its philosophical basis is that risk should not be pooled but should be entirely individual. Its proponents argue that consumers must understand the cost of health care, and that by shopping wisely, consumers can lower prices. To protect against enormous costs, they say, people can buy catastrophic insurance coverage.

Supporters of consumer-directed health care claim that workers gorge themselves on the current health-insurance system, getting too much coverage and too much care—not because they need it, but because insurers pay the bill. The third-party payment system is "absolutely the problem," argues Galen's Turner. Heritage's Mitchell contends that people buy health care "in a way that it's like going to an all-you-can-eat restaurant."

Congressman Pete Stark, the ranking Democrat on a key House health subcommittee, scoffs at the notion that ordinary people can know enough medicine to decide what care to buy. "Even the richest, most educated among us doesn't know a protoscope from a horoscope," Stark says. "There is no way of getting the market information necessary to make economically sound choices." You can shop for shoes or cars, he argues, but people get medical tests or treatment only when told

to do so by a doctor. "When we need the expensive stuff we are scared, we are in pain, we're confused," he adds. "All the things that make for making bad choices."

Employers are somewhere in the middle. While many have been working closely with the conservative think-tank world to create these new insurance structures, they are not ready to jettison the existing system. "We disagree with advocates who want to force change by the big negative stick of taxation of benefits," Trautwein wrote in another e-mail. Far better, he argued, to allow the marketplace to evolve by not restricting "employers' design options."

Trautwein told me that proponents of consumer-directed health care "really don't understand how the insurance

stay under that cap."

Trautwein responds that it is not just a question of cutting expenses today. Employers have a longer-term interest in having a healthy workforce. "A lot of our members are rediscovering a link between health status and productivity and safety in the workforce," he says. Employers understand that it costs them money when workers are out sick or work without getting needed physical or mental care and are unfocused.

Business leaders have another fear: If employer-based coverage is rapidly overturned, and many employees lose coverage, there will be an outcry for national health insurance. "If we can't get the private sector to work, to adequately cover the bulk of the population ... then

California Democrat Pete Stark issued a wry press release thanking the panel for its proposal because the collapse of employer-based insurance would "push us toward universal health care."

market works." By having a broad group of workers in an insurance plan, employers spread the risk of huge costs for sick or older workers over a large group of people. If the healthy could drop the employer-coverage, leaving in it only the more costly workers, "you have risk selection problems," he warns, "and employer plans crash and burn."

Even unions like the United Automobile Workers (UAW), which has long advocated a single-payer health-care system, argue that employer-based insurance is an efficient mechanism for pooling risk. Advocates of consumer-directed health care, says Alan Reuther, the UAW's legislative director, "are really hostile to the notion of pooling risk. They think that individuals ought to bear their own risk, that it's somehow wrong for healthy people to subsidize sicker people."

But since conservatives are having a hard time openly selling companies on this, they try to cajole them into accepting a tax cap as a way of saving money. Turner tells employers they can say to their employees, "Let's work together to

the drum beat increases for national health care," warns Trautwein.

Stark, a supporter of universal health care, agrees. He issued a wry press release thanking the panel for its proposal because, he says, the collapse of employer-based insurance would "push us toward universal health care. ... You will not see us politicians sitting around and letting people go bankrupt."

Hopefully it will not take the demise of the current insurance system, and the resulting pain this would cause, for that to happen. The auto industry is already feeling out Capitol Hill about government help in paying retiree health costs. Health care—how to cover the 45 million uninsured and how to maintain it for others—is expected to be an issue in the 2006 elections. Shoring up employer-provided health insurance, rather than taxing it to death, could be the line in the sand Democrats draw as they define a more comprehensive policy solution. **TAP**

Barbara T. Dreyfuss is a freelance writer in Alexandria, Virginia.

The Arsonist



In his first six months at the UN, John Bolton has offended allies, blocked crucial negotiations, undermined the Secretary of State—and harmed U.S. interests. We expected bad; we didn't expect this bad.

BY MARK LEON GOLDBERG

ILLUSTRATION BY DARREN GYGI

THERE IS AN EXCELLENT COFFEE SHOP IN THE basement of the United Nations building in New York. The espresso is served bitter and strong, Italian style. Sandwiches can be bought on hard French baguettes, and the pastries are always fresh. Whenever a meeting lets out in one of the conference rooms adjacent to the shop, diplomats make a beeline to the cash registers. Others light cigarettes: Though the United Nations is in Manhattan, New York Mayor Michael Bloomberg's anti-smoking crusade has not yet penetrated the complex, which sits on international land; so, beneath conspicuous no-smoking signs, diplomats routinely light up, creating a hazy plume that gives the Vienna Café a decidedly European feel.



The European way of doing things, in the weeks preceding the mid-September 2005 United Nations World Summit, could not be stretched to include the 35-hour workweek. For days, frantic negotiations on the substance of far-ranging UN reforms dragged on from 8 a.m. to 1 a.m. But the one UN ambassador who generally arrived earliest and stayed latest always looked more upbeat than his bleary-eyed counterparts. "All night—all right!" quipped John Bolton to a press stakeout.

There was a reason for Bolton's cheer: He was the man most responsible for the complexity of these negotiations. A month earlier, the newly minted, recess-appointed U.S. ambassador had sent negotiations into a tailspin when he submitted some 750 alterations to a 39-page text known as the "summit outcomes" document. Bolton's most eye-popping suggestion at this summit, billed as a renewal of the UN's 5-year-old pledge to help poor countries, was that all 14 references in the document to the anti-poverty Millennium Development Goals (MDGs) be deleted.

The MDGs grew out of a global agreement on poverty eradication known as the Millennium Declaration, which was signed at a UN summit in September 2000. The "goals" that Bolton tried to nix include, among other things, reducing by half the number of people who live on less than a dollar a day—right now, 1.3 billion—by 2015. While the United States had never signed the agreement, the goals were never a target of Bush administration animus before Bolton came aboard.

Bolton's stance on the MDGs caused an uproar. In addition to the G-77 bloc of developing nations that had the most to lose from the elimination of MDGs, the British, who had recently played host to a G8 summit focusing on African poverty, were particularly livid. Even the United States itself seemed to back away. In a meeting with representatives of nongovernmental organizations shortly after Bolton's edits were leaked to *The Washington Post* for an August 25 story, Undersecretary of State for Political Affairs Nicholas Burns refused to confirm or deny that, per Bolton, the United States was dropping its support of the MDGs. To those in the room, wise to the oblique lingua franca of the diplomatic world, Burns' pullback hinted that Bolton had forged his own policy on the MDGs—ahead of Secretary of State Condoleezza Rice.

The *Prospect* has learned that, in the end, it took Rice's personal intervention to set things right. On September 5 she participated in a conference call with UN Secretary-General Kofi Annan and British Foreign Minister Jack Straw on the subject of UN reform. The next day, Bolton sent a letter to his UN counterparts relenting on the issue. Finally, to put all lingering questions about U.S. support of the MDGs to rest, President Bush himself stated America's firm commitment to them in his September 14 speech to the UN General Assembly.

When Bolton was nominated in March 2005, the Bush administration seemed invincible at home and abroad. Having won an election based on his handling of a war to which the UN had refused to grant its imprimatur, Bush started his second term with a self-proclaimed mandate to impose his aggressive doctrine to the far reaches of the globe. Flying high, Bush and Vice President Dick Cheney sent Bolton, a combative State Department official and longtime Cheney confidant, to do to the UN what their two previous ambassadors to Turtle Bay could not: make the

world body a wholly owned subsidiary of Bush foreign policy.

That was the plan. But over the past 10 months, Bush's poll numbers have plummeted while Iraq has taxed every ounce of American diplomatic and military resources. Bolton, meanwhile, never seems to have gotten the memo that times have changed; he remains a fire-breathing caricature of Bush's first-term, "shoot first, do diplomacy later" outlook. And that approach is no longer sustainable. At least one comparatively saner Bush administration official knows this. And so the tension between Rice and Bolton has grown dramatically in several areas, most notably with regard to Syria: The *Prospect* has learned that Bolton was the source of an October leak to the British press that submarined sensitive negotiations Rice was overseeing with that country.

By December, a looming crisis over the UN budget was testing Bolton and Rice's relationship once again. At the time of this writing, the United Nations was in chaos. Kofi Annan had just canceled a trip to Asia to oversee negotiations over the UN's biennium budget, which was being derailed by an American threat to withhold support for the UN's two-year operating budget until a number of management reforms are passed. With a December 31 deadline looming, Bolton proposed that the world body adopt a three- or four-month interim budget—just enough time to force other member states to accept the reforms.

These reforms are backed by Europe, Canada, Australia, New Zealand, Japan, and the secretary-general himself. Yet Bolton's strong-arm tactics led their representatives to warn that his proposal would starve the United Nations and disrupt other important UN business like peacekeeping operations.

The rumor mill at the Vienna Café has suggested that Bolton must have bypassed Rice and received support for holding the UN budget hostage from the president himself—a view widely held as the truth among UN diplomats. Regardless of the accuracy of this rumor, Bolton's move is paradigmatic of his self-defeating approach to the UN: Instead of banding together with powerful allies, he alienates them. And in doing so he empowers adversaries like Iran, Venezuela, Cuba, and other spoilers content with a UN that is tied in knots. Critics feared that Bolton's tenure would be problematic for American interests. The evidence suggests it's been even worse.

FOR PROGRESSIVE WASHINGTON, BOLTON'S NOMINATION was a dagger in the heart. In his two decades in and out of public service, Bolton had earned a well-deserved reputation as one of Washington's least diplomatic figures. How could the United States send a man to the United Nations who quipped that if the UN building lost 10 of its 38 floors, "it wouldn't make a difference"? Progressives knew—indeed, everyone knew—that Bolton's role at the UN would not be merely to represent U.S. interests but to bully the international body into subservience.

Buoyed by an outpouring of grass-roots support and sustained media pressure, Democrats on the Senate Foreign Relations Committee fought hard against the nomination. During the six-month confirmation process, Bolton was repudiated by a large bipartisan coalition of former American diplomats, and new tales of Bolton's browbeating of subordinates were emerging by the day. The opposition culminated with a former State Department in-

telligence official testifying that Bolton is a “quintessential kiss-up, kick-down kind of guy.” Overnight, Bolton became a national symbol of the boss from hell. Eventually Senator George Voinovich of Ohio broke ranks with his Republican counterparts on the committee, refusing in a May 13 vote to support Bolton’s nomination. (Later he choked back tears on the Senate floor when he invoked the image of his grandchildren living in a world where Bolton was the ambassador to the UN.) But the Bush administration, still riding its bellicose high, pushed on. On August 1, to circumvent the stalled nomination, Bush gave Bolton a recess appointment, the first time that that constitutional maneuver had been used for an ambassador to the United Nations.

The next day, Bolton arrived at work, already living up to his boss-from-hell reputation. Eight months before, he had sent shivers down the spine of staffers at the United States Mission to the United Nations with an e-mail from his chief of staff saying he required a copy of everyone’s résumé. By the time he set foot in his new office, morale was already low.

The *Prospect* has learned that Bolton’s first staff meeting did little to improve things: He told the roughly 100 people present that he wanted to personally sign off on every cable from the mission to Washington. There can be up to five of these cables sent to Foggy Bottom each day, and though the ambassador technically signs them, in practice previous UN ambassadors would not normally read them all. “He wanted to get in the weeds,” said someone present at that meeting. “It seemed to be his way of scaring people.” (Despite repeated requests, Bolton’s office would not comment for this article.)

In a move that further disturbed some of the staff at the mission, the *Prospect* has also learned, Bolton put the kibosh on routine visits to Washington, where mission staffers often travel to consult with colleagues at Foggy Bottom who share a similar portfolio. And he has consolidated his oversight of the expenditure of so-called representational funds, the petty cash that the mission gives to staffers to take people out to lunch and otherwise “do diplomacy.”

THE MALTREATMENT OF BOLTON’S STAFF, HOWEVER, was nothing compared with the bullying of the United Nations that would follow. When he arrived at Turtle Bay, Bolton stepped into the middle of negotiations on the most extensive set of UN reforms since the world body’s founding 60 years ago. On the table was a wide-ranging set of reforms, most of which had been championed by the United States: replacing the discredited Human Rights Commission (notorious for including such beacons of freedom as Sudan) with a new and improved Human Rights Council; increasing administrative oversight in light of the oil-for-food scandal; creating a new “Peace Building Commission” to help with postconflict reconstruction; working toward a strong definition, and condemnation, of terrorism; and making a forceful statement on nuclear nonproliferation.

Bolton, however, has been unable to deliver on most of these reforms. When he submitted his 750 edits to the working draft of UN reforms two weeks after arriving, he had insisted on going line by line through the document as a way to maximize U.S. gains. But rather than bolstering the United States’ bargaining position, the approach largely backfired. It gave spoiler countries like Pakistan, Cuba, and Venezuela the opening they needed to pursue maximalist positions on their own pet issues, and allowed countries with less-than-stellar human-rights records to undermine America’s insistence that the new Human Rights Council must exclude countries under UN sanction.

To make matters worse, once the negotiations devolved into a painstaking process of debating each word of the document, spoiler countries were rewarded by striking temporary bargaining alliances on single issues, or sometimes even on single sentences. Again, this was largely to the detriment of U.S. interests.



Ear and Far: Bolton and Condi Rice, hardly allies, are in heavy competition for Bush’s attention.

For example, when Bolton tried to purge the section concerning nonproliferation of any mention of disarmament, the alliance of Israel, India, and Pakistan—nuclear powers that are not parties to the Treaty on the Non-proliferation of Nuclear Weapons—retorted by introducing language emphasizing disarmament and deleted references to the non-proliferation treaty. “We could not get back the balance between nonproliferation and disarmament [from earlier drafts],” a European diplomat told Jim Wurst of the *Global Security Newswire*. Eventually the entire section was scrapped. By the time heads of state signed on to reforms, the document contained not a single word on nuclear nonproliferation, and had even lost its pledge to keep weapons of mass destruction out of the hands of terrorists.

To be sure, the reform agenda was ambitious. But well before the summit, Secretary-General Annan had outlined a basic strategy in which member states with competing interests could work together to pass all the reforms as a package. In a seminal *Foreign Affairs* article published in May, Annan called for a “new San Francisco moment,” referring to the location where the treaty creating the UN was signed 60 years before, and conceptualized

a framework in which rich and poor member states could strike a grand bargain that would address their respective needs. But in the end, the document signed by the assembled heads of state was the bland culmination of a last-minute sprint to the lowest common denominator on nearly every major issue. "It became a salvage operation," said David Shorr of the Stanley Foundation. And with the notable exception of adopting the principle that the international community has the "responsibility to protect" vulnerable populations threatened by genocide or crimes against humanity, all the contentious issues, such as the mandate and makeup of the Human-Rights Council, were kicked to the General Assembly for further discussion.

At a press conference the day after the assembly agreed to a set of reforms, Annan tried to put a positive spin on the outcome, but he looked uncharacteristically deflated. His notion of grand trade-offs between rich and poor countries ran square into Bolton's

ability and oversight on the part of UN programs. Bolton, however, is alone in the view that the budget need be delayed until these reforms are passed. Annan and his staff forcefully oppose any budgetary postponement—as does virtually every other UN member state. On November 30, *The New York Times* reported that Warren Sach, assistant secretary-general and controller of the UN, said that Bolton's interim budget would give the UN a deficit of \$320 million in the first quarter of 2006. Among the options to close the deficit is taking money from the separate peacekeeping budget. "This place does not run on air," he lamented. Should an interim budget be adopted, the United Nations would have to significantly curtail expenditures for the first quarter.

Bolton's budget proposal was also the subject of a rare public dispute between the United States and one of its closest allies at the UN. On November 23, Britain's habitually soft-spoken UN ambassador, Emyr Jones Parry, openly rebuffed Bolton's overture to have Britain join him in opposing the budget. "We are not in favor of holding any individual items or the budget hostage to other issues," he announced. Echoing his concern was the UN's second-largest financial contributor and staunch advocate of managerial reforms, Japan, which contributes 19 percent of the total UN operating budget. Not to worry: As one South American diplomat

dryly ridicules, "[Bolton] can probably still bring along his usual allies—Palau and the Marshall Islands."

Rice donned a happy face when announcing Bolton's nomination. But the moment marked a new phase in their rocky relationship.

zero-sum negotiations. A San Francisco moment this was not.

With the summit ingloriously concluded, the focus of the world's diplomats and the press that covers them turned across town. Over sushi at the swanky Nobu restaurant and wine receptions at the Museum of Modern Art, they celebrated Bill Clinton's new Clinton Global Initiative to help lift developing countries from poverty. But back in the far less comfortable confines of the UN building, the difficult task of implementing the reforms still lay ahead. And, once again, Bolton complicated that task. He did not recalibrate strategy by, say, teaming up with allies to strong-arm countries that are hostile to shared reform priorities. Rather, he set up a confrontation with the very same countries that might have been our best partners in the implementation of those reforms.

Bolton achieved this feat just a few short weeks before the December 31 deadline by threatening to withhold U.S. support for the UN's \$3.9 billion budget. Since the 1980s, the UN's biennial budget has been adopted by consensus, a system encouraged by none other than the Reagan administration to ensure that poor countries could not frivolously increase the budget, the bulk of which is paid for by a handful of wealthy nations. Now that fear has been reversed: The UN's largest contributor is threatening to use the consensus process to block the UN's budget. Bolton has argued against passing the new biennial budget which begins January 6, without implementing management reforms that are generally opposed by the G-77 bloc of developing countries and favored by Annan and the Western world. Instead, he proposed an interim budget that would last a few months, during which time he would be able to push through the managerial reforms.

The reforms that Bolton advocates are badly needed; they would at once streamline the UN's ossified bureaucracy and expand the office of the secretary-general to ensure greater account-

IN ANNOUNCING THE PRESIDENT'S NOMINATION OF BOLTON, then the undersecretary of state for arms control and international security, Secretary Rice donned a happy face. Despite her enthusiastic exterior, though, this moment would mark the start of a new phase in their rocky relationship—one in which Rice shadowed the heavy-handed Bolton with her own lighter diplomatic touch.

Indeed, it was Rice, not Bolton, who achieved the one significant success of Bolton's first 100 days at the United Nations: a unanimous October 30 Security Council vote requiring Syria to fully cooperate with a UN investigation into the suspected Syria-sponsored assassination of former Lebanese Prime Minister Rafik Hariri. The *Prospect* has learned that in the days and weeks leading up to the late October UN report on Hariri's assassination, Rice sought to sideline Bolton from the negotiations over the Security Council resolution that the report inspired. She also made the State Department, not the U.S. Mission to the UN, the central address for discussions on the resolution.

One of the first signs that a bureaucratic battle was brewing between Bolton and Rice over Syria came on October 18, when the State Department press corps was shocked to find that Rice had unexpectedly flown to New York to meet Annan. A State Department spokesman explained that the two met to "compare notes" in advance of a widely anticipated report by Detlev Mehlis, the secretary-general's special investigator for the Hariri assassination. Yet Bolton, the man in charge of the United States' day-to-day operations at the UN, was conspicuously absent from that meeting. In what appears to have been less of an accident than a mat-

ter of intentional timing, Rice made her trip to New York on the very morning that Bolton had to be in Washington, testifying before the Senate on the progress (or lack thereof) of UN reforms.

The *Prospect* has further learned that, rather than forging Security Council strategy with America's European allies at the UN building in New York, much of the diplomatic legwork has been carried out in Foggy Bottom. On October 22, a French delegation from the UN traveled to Washington for initial discussions on the Syria resolution (later called Security Council Resolution 1636), of which the French were the original authors. According to a diplomatic source, Bolton was not initially invited to that meeting. The French, however, insisted on his presence. So Bolton attended, but not without three chaperones: Assistant Secretary of State for Near Eastern Affairs David Welch, Welch's deputy (and vice-presidential daughter) Elizabeth Cheney, and National Security Council Middle East chief Michael Doran. "It's like they stuck a strong team from the [State Department and National Security Council] to watch him," said the diplomat.

Despite Rice's tight oversight of the resolution negotiations, the unanimity of the council was still in doubt one day before the Security Council meeting. Finally, in a last-minute lunch meeting with her foreign-minister counterparts from the veto-wielding permanent five Security Council members, Rice personally removed references to sanctions that had been inserted by the United States. With those obstacles to unanimous consent gone, Resolution 1636 passed 15 to 0.

Rice's involvement came after Bolton had won round one in the Syria battle. Bolton and Rice's bureaucratic tiffs over Syria had actually boiled over two weeks prior to the Security Council vote. Journalist Ibrahim Hamidi, writing in the Arabic-language newspaper *Al-Hayat*, reported—and the *Prospect* has independently confirmed—that Bolton had leaked to British newspapers that the Bush administration had signaled its willingness to offer Syria a "Libya-style deal"—a reference to Libyan President Muammar Qaddafi's decision last year to give up pursuing weapons of mass destruction and renounce terrorism in return for a restoration of relations with the United States and the United Kingdom. According to *The Times* of London, Syria responded positively to the secret U.S. offer, which was made through a third party. But after Bolton publicly aired the details of the potential deal—which would require Syria to cooperate with the Mehlis investigation, end interference in Lebanese affairs and alleged interference in Iraqi affairs, and cease supporting militant groups like Hamas and Hezbollah—Damascus quickly denied that such a deal was in the offing.

"It is no secret that Mr. Bolton and Dr. Rice are not the closest friends," a well-placed UN official told the *Prospect*. "Indeed, I've heard it said that the main reason he came here was that she didn't want him in Foggy Bottom." The animosity between the two is, in fact, well established, as they locked horns on Iran. On April 18, 2005, *The Washington Post* reported that Bolton let Rice go on her first trip to Europe as secretary of state without briefing her on European opposition to his one-man campaign to seek the ouster of the International Atomic Energy Agency Chief Mohammed ElBaradei. ElBaradei was a popular diplomat—and would later win the Nobel Peace Prize for his work—but Bolton

thought ElBaradei was too "soft" on Iran.

Rice was playing hardball with Bolton, too. During the first Bush term, Bolton had effectively blocked U.S. support for a French, German, and British plan for confronting Tehran's nuclear ambitions. Soon after Rice moved to Foggy Bottom, she sought to keep Bolton out of key policy discussions about Iran. In June, *The Washington Post* reported that Rice sought to keep secret from Bolton a meeting of French, British, German, and American officials who flew to Washington for a "brainstorming session on Iran." Of the Iran meeting a European diplomat told the *Post*, "It was the American side that didn't want him there."

BOLTON HAS CONSISTENTLY PORTRAYED HIMSELF AS A man on a mission: to save the UN from itself. But for all his reformist rhetoric, he continues with his wrecking-ball ways, knocking down America's alliances while our diplomatic adversaries only stand more firmly.

Bolton's tenure at the United Nations will last at least until his recess appointment concludes in January 2007, and until then we can expect to see more of the same. On November 14, Bolton treated the Jesse Helms Center at Wingate University, 35 miles east of Charlotte, North Carolina, to a lecture on UN reform. The venue could not have been more appropriate: During his long and destructive reign as the Republican leader of the Senate Foreign Relations Committee, Helms was the Senate's chief UN antagonist-in-residence (a title that now belongs to Minnesota's Norm Coleman). Helms was a key booster of Bolton early in his career: Bolton began his public service as Helms' aide, and the two share a warm—some might say eternal—relationship. During Bolton's 2001 confirmation hearing as undersecretary of state for arms control and international security, Helms famously referred to him as "the kind of man with whom I would want to stand at Armageddon."

As the featured "Jesse Helms Lecture Series" speaker, it was Bolton's turn to return the favor. He launched into a point-by-point critique of the United Nations that took one of Helms' most famous invectives against the world body—that it is full of "cry-babies [who] whine about not receiving enough of American taxpayers' money"—one giant rhetorical step further. "Being practical, Americans say that we either need to fix the institution or we'll turn to some other mechanism to solve international problems," Bolton told the audience. Two days later, he clarified his remarks for the *Financial Times*. "The UN is simply one of many competitors in the global marketplace for problem solutions and problem solvers," he told reporter Mark Turner. "If it is not good at solving problems, Americans will look to some other institution; some other organization; some other framework."

As if in a nod toward diplomacy, he added that he hoped that those who want a stronger UN would "see the logic of our argument." But his remarks to another British reporter just one week prior were probably more to the point. After listening to a tirade from Bolton against inefficiency, corruption, and supposed anti-Americanism at the UN during a private dinner, a *Sunday Telegraph* reporter in the audience asked him what he enjoyed most about the UN, to which Bolton replied, "It's a target-rich environment." **TAP**

Security for Sale

The Department of Homeland Security has a section on its Web site labeled "Open for Business." It certainly is.

BY SARAH POSNER

AMID THE POLITICAL AND CULTURAL UPHEAVAL that followed the September 11 terror attacks, Americans were warned repeatedly that everything would be different because a vulnerable nation could no longer afford to remain complacent, careless, and profligate. Politicians of both parties vowed discipline, self-sacrifice, and diligence. Perhaps the most ostentatious symbol of this shared national commitment was the creation of the new Department of Homeland Security (DHS) in 2003.

Less than three years later, the brief but uninspiring history of DHS proves how little has actually changed in Washington, where the institutional cultivation of influence peddling, cronyism, and waste continues to thrive unimpeded. At the bureaucracy that is supposed to protect us, Republican lobbyists bustle through the revolving door, carrying millions in contracts for their corporate clients, with all the predictable failures and cost overruns; Congressional committee chairmen collect their campaign contributions from contractors and lobbying firms, just like their counterparts on the defense committees; and even the son-in-law of the vice president benefits from a patronage appointment that leaves him overseeing his former lobbying clients.

Some of the country's largest government contractors, already fat on Pentagon pork, have retained well-connected lobbyists to win their slice of the DHS budget. Lobbyists who double as Bush Rangers and Pioneers, raising hundreds of thousands of campaign dollars, now represent some of the biggest DHS contractors. These lobbyists and their clients—through both individual donations and those of their political action committees—have poured still more hundreds of thousands into the campaigns and PACs of powerful Republican members of Congress who control DHS appropriations and oversight.

In the age of terror and natural catastrophe, knowing the right people is still the right way to get rich.

The Department of Homeland Security Web site includes a section—titled "Open for Business"—that is designed to assist companies seeking to win part of the \$10 billion in procurement contracts doled out annually to enhance our security. The array of goods and services needed to protect the homeland ranges from detection equipment for explosive, radioactive, biological,

and chemical agents to private security guards, surveillance, computer and telecommunications equipment, as well as port, border, railroad, and aviation security, and the management of immigration detention centers. Yet while the Bush administration has promised that good government and good old American ingenuity will yield world-class innovations, the product has been considerably less than advertised. The newest bureaucracy is not only open for business, it is wide open for business as usual. This is nothing new or different, but the same old way that Washington has worked for many, many years. The difference is in the stakes: While the politicians, contractors, and lobbyists pursue their familiar agendas, what is the cost to our safety?

The corporate exploitation of the new department became inevitable even before it was founded, during the first dark days after 9-11, when Tom Ridge was appointed to direct the White House Office of Homeland Security. With the former Pennsylvania governor came three aides who had no apparent experience in the field of homeland security but a keen understanding of the business of politics. Mark Holman, who was appointed deputy assistant to the president in the Office of Homeland Security, had been Ridge's chief of staff for 18 years, both in Congress and later in the Pennsylvania statehouse. Ashley Davis, a former lobbyist who had worked on Ridge's gubernatorial campaigns, the Bush-Cheney campaign, the Florida recount, and the Republican National Convention in 2000, became Ridge's special assistant. Joining them was Carl Buchholtz, the former general counsel to Ridge's gubernatorial campaigns and a partner in the Philadelphia-based law and lobbying firm Blank Rome LLP, who took a year away from the firm to help the White House plan the DHS. Blank Rome's chairman, David Girard-diCarlo, a former Ridge fundraiser and Bush Pioneer in 2000, is among Ridge's closest friends.

By the time DHS opened its doors in 2003, Buchholtz had returned to Blank Rome, taking Holman and Davis with him. All three quickly turned to lobbying the department whose creation they had helped to oversee. When Blank Rome signed up 18 companies as new homeland security clients that year, and added homeland security to its lobbying duties for half a dozen existing clients, no ethics rules barred Buchholtz, Holman, and Davis from lobbying the new department—because technically, none

of them had worked there. Blank Rome had just merged with Dyer Ellis & Joseph, a firm that employed several former Capitol Hill aides with ties to influential members of Congress and expertise in maritime and transportation issues—important knowledge because DHS had absorbed the Coast Guard and the Transportation Security Administration (TSA), which are now the top dispensers of procurement dollars in the DHS.

The Philadelphia-based law firm formally launched a separate lobbying arm in Washington, Blank Rome Government Relations, which included the three former White House staffers and the Dyer Ellis principals. Later that year, the firm also brought on Barbara Comstock, a former congressional staffer who had served as the chief spokesperson for then-Attorney General John Ashcroft—after becoming notorious as the head of the opposition research team at the Republican National Committee (RNC) in 2000; *The Washington Post* dubbed her a “one-woman wrecking crew.” Since joining Blank Rome, Comstock also has led a public relations campaign on behalf of Tom DeLay and is spokeswoman for former Cheney aide I. Lewis “Scooter” Libby’s legal defense fund.

While Blank Rome includes Democrats in its lobbying phalanx, Republicans dominate in terms of stature and fund-raising clout. Last year Girard-diCarlo moved up from Pioneer to Ranger status (meaning he had doubled the amount he raised for the Bush-Cheney campaign to \$200,000), while both Holman and Buchholtz became Pioneers. Blank Rome employees were the seventh most generous contributors to the RNC in 2004, pouring in \$345,000, which included contributions by Girard-diCarlo (\$50,000), Buchholtz (\$12,500), and partner David Norcross (\$37,500), who was named to chair the arrangements committee at 2004’s Republican National Convention in New York City.

Among the new lobbying clients acquired by Blank Rome were such giants as Boeing, already among the top 10 government contractors in annual revenue, and management consultant BearingPoint, which is among the top 50 contractors. Formerly known as KPMG Consulting, BearingPoint was no stranger to Ridge. When Ridge was governor of Pennsylvania, the state had used BearingPoint’s software to track criminal offenders.

In 2004, after signing on with Blank Rome, the company won three major DHS deals: a \$229 million contract for its “eMerge2” software, designed to integrate the financial management of the department’s 22 component agencies; a \$12 million contract to develop a Transportation Worker Identification Credential (TWIC) to improve security at seaports, airports, railroads, pipelines, and mass transit facilities with biometric credentialing; and an up to

five-year, \$30 million contract to study development of an integrated terrorist screening system for the Terrorist Screening Center, in partnership with a small business through the department’s mentor-protégé program. (The mentor-protégé program benefits large companies that piggyback on the procurement advantages offered to small and minority businesses. In another familiar pattern, BearingPoint’s partner on the Terrorist Threat Integration Center project is a small, minority-owned firm whose principals formerly worked at KPMG.)

While BearingPoint was landing those lucrative government contracts, the company was lading out money to Republican causes. During the 2004 election cycle, BearingPoint’s PAC donated almost \$40,000 to federal candidates, of which more than 80 percent went to Republicans—including \$5,000 contributions to both

Jerry Lewis, chair of the House Appropriations Committee, and Thad Cochran, chair of the Senate Appropriations Committee. In late 2003, the company’s PAC paid \$15,000 for membership in the RNC Majority Fund, described on the RNC’s Web site as a “leadership group supporting President Bush, his bold agenda for America, and Republican members of the U.S. House and Senate.”

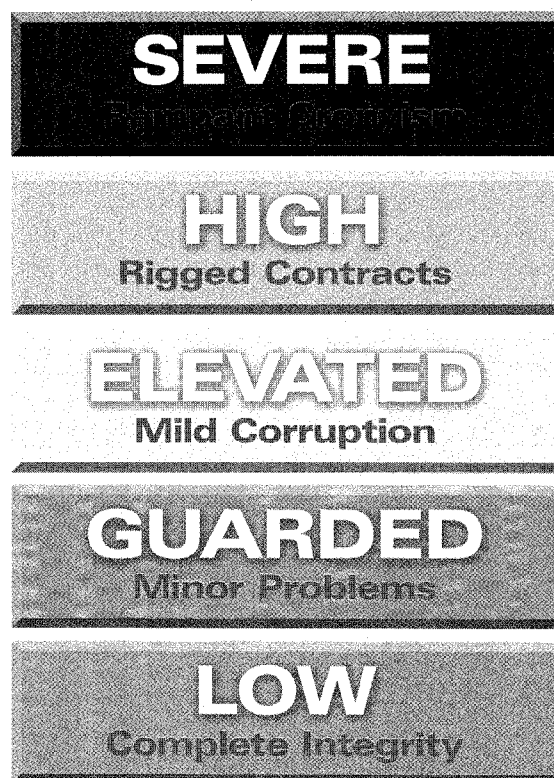
Within a year, the TWIC and eMerge2 contracts were drawing skeptical scrutiny. TWIC’s costs had more than doubled to \$24 million, provoking Republican Senator Susan Collins, chair of the Senate Homeland Security and Government Affairs Committee, to ask the Government Accountability Office (GAO) to investigate. Last summer, the eMerge2 program was put on hold, after DHS had spent \$10 million on it. Trade magazines reported that by November 2004 the Coast Guard

already had developed its own financial management system that potentially could be used department-wide, an effort that cost a tiny fraction of the \$229 million budgeted for eMerge2.

As for Boeing—a top government contractor and political contributor with a history of overcharging the Pentagon—the aviation and defense behemoth won a \$1.2 billion contract in 2002 from the TSA to install baggage-screening equipment in hundreds of airports. In 2004, DHS Inspector General Clark Kent Ervin found that Boeing had won that contract despite being the highest rather than the lowest bidder, and had been overpaid \$49 million by the government.

Meanwhile, Blank Rome’s Mark Holman had registered as Boeing’s homeland security lobbyist. On the registration form he filed with the Senate clerk, Holman noted that his lobbying work would address “strategic coordination between TSA and DHS.”

In late 2003, after his former aides had taken Boeing as a client, Ridge appointed Rick Stephens, a Boeing senior vice president,



to the Private Sector Senior Advisory Committee of the Homeland Security Advisory Council. With a membership of business executives, the Advisory Committee is "plotting the future of the agency five, 10, 15, 20 years down the line," according to Scott Amey of the nonpartisan watchdog Project on Government Oversight; Amey believes that those serving on the committee will learn about the department's inner workings, obtaining a considerable advantage for their companies. So while his former aide's client was overbidding the DHS, Ridge was rewarding the company by giving one of its executives a plum advisory appointment.

In September 2004, Ervin urged the TSA to attempt to recoup the \$49 million in overpayment to Boeing, but the agency rejected the inspector general's admonition. Instead, the TSA extended Boeing's contract through the end of the calendar year.

Ridge himself appears to have benefited from one of his Private Sector Advisory Committee appointments. He appointed an executive of Exelon, the nation's largest private owner of nuclear power plants, to the committee. (The company was already quite cozy by then with the homeland security politicians. While Mark Holman was working at the Office of Homeland Security, his wife, Sonia Holman, a lobbyist at the American Continental Group, had lobbied the office on behalf of Exelon, a job she continued after the department was formed.) After Ridge retired, Exelon reciprocated by appointing him to the company's board of directors.

Speaking on behalf of Blank Rome Government Relations, Topper Ray, a firm principal, said that the former Office of Homeland Security staffers at the firm "have adhered to all applicable government regulations on communications and representation that govern post-employment activity." Ray dismissed suggestions that they may have received preferential treatment from Ridge or his staff, adding that all DHS contracts the firm's clients received were competitively bid, and that "everything is out in

the open." He added, "These are people of the highest integrity. They understand their responsibilities."

Another eager client signed up by former Ridge staffers at Blank Rome was the Homeland Security Corporation (HSC), a company started in 2001 by a Tennessee businessman named Doctor R. Crants. The politically connected Crants had once headed the country's largest privatized prison firm, Corrections Corporation of America (CCA), which he established in 1983 with a former chair of the Tennessee Republican Party and modeled on the Frist family's Hospital Corporation of America, creating an industry based on incarceration-for-profit.

With his new company, Crants appears to be capitalizing on his 17-year tenure at CCA—during which the company nearly fell into bankruptcy and became the target of lawsuits alleging gross mismanagement of the privatized prisons, and that violence, drug dealing, and mistreatment of inmates were commonplace. Through a \$100 million contract with defense giant Lockheed Martin, HSC now trains thousands of security screeners at the nation's airports.

Today CCA, HSC, and CCA's closest competitor in the private prison industry, Wackenhut—brandishing lobbyists, political connections, and lavish contributions—have all won DHS contracts to train and supply security guards and screeners and to build, manage, and maintain detention facilities. Wackenhut and CCA both have long histories of questionable practices, ranging from general incompetence in managing government facilities to allegations of putting prisoners and the public at risk. That these firms have been hired by DHS to keep the nation safe, and are profiting handsomely from it, attests to political influence dating back two decades.

Crants, CCA, and Wackenhut were no strangers to Ridge when he assumed his homeland security responsibilities. Nor were

Congressman Rogers' Neighborhood

Representative Hal Rogers, the Kentucky Republican who chairs the Appropriations Subcommittee of the House Homeland Security Committee—that is, the politician who controls the purse strings—has filled his fund-raising coffers with contributions from companies that do business with the Department of Homeland Security. Through Rogers' campaign and his leadership PAC, which can be used to buy influence with colleagues, interested donors have more than one way to give, and they do.

In the 2004 election cycle, Rogers' PAC, Help America's Leaders, or HALPAC, pulled in nearly \$1.3 million—about twice as much as his campaign fund. In turn, HALPAC doled out more than \$650,000 to the campaigns of fellow Republicans in 2004, making it one of

the eight biggest-spending leadership PACs. Many of its contributors were the PACs of lobbyists and DHS contractors who later scored major DHS contracts.

Between April 2003 and February 2004, the PAC of Accenture—the Bermuda-based consulting firm raised from the ashes of the storied Arthur Andersen—gave HALPAC \$7,000. Between January and February 2004, Raytheon's PAC gave HALPAC \$5,000. In June 2004, DHS awarded Accenture—and its subcontractor Raytheon—a five-year contract, potentially worth \$10 billion, to run the US-VISIT program, which is supposed to track visitors moving in and out of the country. That program has been notoriously plagued with cost overruns and delays. Today US-VISIT tracks less than one

percent of foreign visitors.

Several corporations that ranked among the top 10 DHS contractors last year also gave money to HALPAC, including third-ranked Boeing (\$5,000); fourth-ranked In-Vision Technologies, which manufactures explosive-detection equipment (\$7,000); sixth-ranked Lockheed Martin (\$5,000); and Northrop Grumman (\$10,000), which, with partner Lockheed Martin, is the department's top contractor. Its Integrated Coast Guard Systems joint venture netted more than \$500 million from DHS in 2004. Other big contributors included the PACs of the Corrections Corporation of America (\$5,000); L-3 Communications (\$10,000),



Hal Rogers

AP/WIDE WORLD PHOTO

they unfamiliar with big money GOP politics or the ideological infrastructure created by “free-market” conservatives to promote industry-friendly legislation. Back when Ridge was governor of Pennsylvania, both CCA (under Crants’ leadership) and Wackenhut supported the American Legislative Exchange Council (ALEC), an organization started in 1973 with the goal to push a right-wing, corporate-dominated agenda through state legislatures. During Ridge’s tenure—when Mark Holman was his chief of staff—Pennsylvania passed comprehensive “tough on crime” legislation that had been drafted by ALEC’s Criminal Justice Task Force, on which both CCA and Wackenhut served. The state, under Ridge, was “a pilot state, almost, for ALEC’s three strikes, tough on crime, its whole platform,” said Ed Bender of the Institute for Money in State Politics. By paying a required fee to serve on ALEC’s task force, CCA “bought a seat at the table,” said Bender.

Once Ridge became homeland security secretary in January 2003, he appointed (former) ALEC chairman, Republican Senator Jim Dunlap of Oklahoma, to the Homeland Security Advisory Council, a group of state officials designated to advise the department. Dunlap still serves on ALEC’s board.

The same year, after they left the White House for Blank Rome, Davis and Holman signed up Crants’ new company, HSC, as a lobbying client. For his part, Crants has remained a generous GOP benefactor; last year, for example, he gave \$25,000 to the National Republican Senatorial Committee and \$1,000 to Swift Boat Veterans for Truth. CCA’s PAC continues to support Republican candidates, and its 2004 political donations included \$30,000 to the National Republican Senatorial Committee and \$30,000 to the National Republican Congressional Committee.

CCA also continues to rake in federal dollars from the Department of Homeland Security and other agencies. More than 20 years after CCA landed its first federal contract with the Im-

migration and Naturalization Service, federal contracts account for one-third of its revenue. CCA has several multi-year contracts for guard services with the DHS successor to the INS, Immigration and Customs Enforcement, but neither CCA nor ICE would provide the dollar amount of the contracts. The government’s contract database, which contained some of the contracts identified by CCA and others it did not identify, reflected a dollar value of more than \$2 billion, if all options were exercised.

No doubt CCA’s standing at DHS is enhanced by the fact that one of the firm’s former lobbyists is not only Dick Cheney’s son-in-law, but the department’s general counsel. The political appointments awarded by President Bush to Philip J. Perry, who happens to be married to Cheney’s daughter Elizabeth, have included jobs at the Department of Justice and the Office of Management and Budget. In 2003 Perry returned to his private law and lobbying practice with Latham & Watkins’ government contracts group, only to be appointed in 2005 to the DHS post.

Perry’s conduct “violates every principle the revolving door policy is supposed to [uphold],” says Public Citizen’s Craig Holman (no relation to Mark Holman), who adds that Perry was “nurturing relationships on both sides” as he worked in government, returned to private practice, and revolved back into government again in “absolutely egregious abuse” of ethics standards. Not only did Perry lobby on behalf of CCA, he also was a lobbyist for Pentagon and DHS giant Lockheed Martin, which has the subcontract with Crants’ HSC to train the airport security screeners. Perry’s office did not return calls from the *Prospect* seeking his comments.

Wackenhut, part of which was acquired in 2002 by Danish company Group 4 Falck (now Group 4 Securicor) and part of which recently was renamed the Geo Group, has likewise prospered at DHS. The Geo Group, whose CEO George Zoley was a Bush Pioneer in 2004, has obtained numerous contracts with

which is the prime contractor on a \$500 million border surveillance contract currently under investigation by the General Services Administration; and Science Applications International Corporation (\$10,000), which won a \$20 million contract from DHS this year for disaster preparedness.

Perhaps the most blatant example, however, is a huge donation to Rogers from a little-known Massachusetts start-up that later won a major contract for airport explosive-detection equipment. Reveal Imaging Technologies does not have a PAC, but its executives collectively contributed over \$85,000 to HALPAC between late 2003 and August 2005. This figure dwarfed their contributions to other campaigns and PACs; the closest was their \$13,000 total contribution to the Senate Victory Fund, the leadership PAC of Mississippi Republican Thad Cochran, Chair of the Senate Appropria-

tions Committee and a member of its Subcommittee on Homeland Security. At the same time, principals from Reveal’s lobbying firms, Denny Miller Associates and Van Scoyoc & Associates, gave \$12,000 and \$18,000, respectively, to HALPAC.

In October 2003, Reveal was awarded a \$2.38 million grant from the Transportation Security Administration (TSA) to develop its “next-generation” explosive-detection equipment for airport baggage. Three days after the company issued its press release announcing the grant, its executives gave \$12,500 to HALPAC. In 2004, they contributed an additional \$28,000.

In January 2005, the TSA announced its intention to award a single-source contract to Reveal to manufacture up to eight of its explosive-detection machines. The following month, the TSA announced that it would conduct a pilot program with Reveal’s ma-

chines at three airports.

Then on March 31, 2005—less than two weeks after Reveal executives donated \$18,000 to HALPAC on a single day—the TSA announced that it would purchase eight Reveal machines.

Last October, after Reveal and its lobbyists had given more than \$100,000 to HALPAC, Reveal was awarded a \$24.8 million TSA contract for explosive-detection equipment. With all options exercised, the contract could eventually be worth \$463 million. Although the deal was supposedly awarded on a competitive basis, Reveal made the only offer TSA received, according to the federal government’s contract database. The following month, TSA awarded Reveal a \$3.6 million grant to further develop its technology.

Rogers’ office did not respond to a request for an interview and neither did Reveal.

— S. P.

Immigration and Customs Enforcement to construct, maintain, and manage detention facilities over the next few decades. This year, Geo Group paid Blank Rome's Barbara Comstock \$40,000 over a three-month period to lobby DHS to "maintain government contracts," according to her lobbying disclosure statement. Geo has also Alberto Cardenas, the former chair of the Florida Republican Party and a Bush Pioneer, in its stable of lobbyists.

One of Cardenas' partners, Victor Cerda, left DHS last summer after serving in several posts, most recently as acting director of the Office of Detention and Removal Operations at the immigration service. Asked how he complied with federal rules that bar lobbyists from contacting their former agencies for one year, Cerda replied that he has received clearance from the ICE ethics office for specific "scenarios" regarding his work for Geo. He said that he does not lobby on Geo's behalf regarding contracts over which he had decision-making authority at DHS, but that he instead provides advice "on DHS operational strategies."

Wackenhut has a contract potentially valued at \$500 million to provide guards to the Bureau of Customs and Border Protec-

on them. Alutiiq was in bankruptcy a few years ago, but the company is now flush with cash thanks to government largesse, including contracts with DHS agencies such as the Coast Guard, to repair buildings and to manage operations and maintenance of the world's largest Coast Guard base on Kodiak Island in Alaska; the Federal Law Enforcement Training Center, to build prefabricated and portable buildings; and the Bureau of Citizenship and Immigration Services, to provide administrative, logistics, assessments, investigations, and security support.

Alutiiq's lobbyist happens to be C.J. Zane, one of the Dyer Ellis principals who joined Blank Rome after the merger in 2003. In 2002, Zane had lobbied, on behalf of Alutiiq, for the change in federal law that allowed privatization of security services for military bases on U.S. soil.

Before he became a lobbyist, Zane had been chief of staff to Alaska's sole representative in the House, Don Young, who is now the powerful chair of the House Transportation Committee and the ranking Republican on the House Homeland Security Committee. Zane's lobbying roster included numerous clients with

maritime and transportation interests, and several of the 13 legally recognized ANCs. ANCs have extraordinary advantages, giving them a competitive edge far beyond that given to other minority and economically disadvantaged firms. They can be awarded federal contracts of any value and duration on a sole-source basis, meaning not open to competition. They can create joint ventures

and partnerships with other companies and be eligible for the sole-source advantages, if the ANC, on paper at least, has a majority of equity and managerial control over the venture.

The competitive advantage gained by some of the country's richest homeland security and defense contractors by partnering with ANCs is no secret. Press accounts have detailed billions of dollars in contracts awarded on a sole-source basis to ANCs (some of which would have lacked the expertise to fulfill contract requirements without a bigger corporate partner) for security guards, information and border security technology, airport screening, construction, and telecommunications. Akima, another ANC represented by Blank Rome, was the beneficiary of one of the well-publicized no-bid contracts awarded by DHS after Hurricane Katrina to construct portable classrooms worth almost \$40 million, a price tag that the GAO is reviewing as possibly inflated.

The ANC contracting edge provoked Republican Representative Tom Davis, who chairs the House Government Reform Committee, to wonder aloud to *The Washington Post* last spring whether those advantages might be a "scam" on taxpayers. His committee is investigating the ANCs, and he has also requested a GAO probe.

The central goal of the ANCs—to provide opportunities to native Alaskans who lost land due to the building of the Alaska pipeline—is certainly laudable. Questions persist, however, about whether the program is actually functioning as intended. Danielle Brian, executive director of the Project on Government Oversight, says the program is "exploiting" native Alaskans because only "tiny amounts" from the huge profits in govern-

Native Alaskans received an average of \$283 a year from DHS contracts. Zane and his colleagues are banking a bit more than that—\$300,000 in 2004.

tion. Its lobbying firm is Van Scoyoc Associates, whose vice president, Ray Cole, was a Bush Ranger last year. DHS continues to contract with Wackenhut, despite evidence that the company has failed to protect power plants and military bases. In 2003, the Department of Energy's inspector general found that Wackenhut, responsible for guarding half of the nation's nuclear power plants, had not provided adequate security at the Oak Ridge nuclear weapons plant in Tennessee. At the same time, under an unprecedented plan passed by Congress in 2002, the company became one of the first private contractors hired by the Pentagon to guard military bases.

Today Wackenhut, along with a partner called Alutiiq Management, has contracts to guard 18 Army facilities around the country. Those deals have come under fire from the Service Employees International Union (SEIU), which published a report last September, *Homeland Insecurity: How Wackenhut and an Alaska Native Corporation May Be Compromising Security at U.S. Army Bases*, documenting numerous flagrant breaches of security including the hiring of convicted felons; understaffing of facilities; inadequate training; poor weapons management, including weapons left unattended, rusty guns, and faulty bullets; and failure to properly use adequate equipment such as explosive detection devices, radios, body armor, and even bathrooms. Democratic Representative Lane Evans, a member of the House Armed Services Committee, has asked the GAO to investigate Wackenhut's defense contracts.

Wackenhut entered into partnership with Alutiiq because the smaller firm—an Alaska Native Corporation, or ANC—is legally entitled to government contracts without having to bid

ment contracts trickle down to the intended beneficiaries of the program. The CEO of Alutiiq, Dusty Kaser, received a \$1 million compensation package in 2004, according to the SEIU report, 10 times the amount the company donated in scholarships to tribe members. *Government Executive*, a trade magazine, reported recently that a survey by the Native American Contracting Association of all 13 ANCs revealed that shareholders received an average of \$283 a year. Zane and his colleagues are banking a bit more than that. According to its lobbying disclosure statements, Blank Rome earned about \$300,000 in fees from its ANC clients alone in 2004.

Between 2002 and 2003, the year DHS opened its doors, Blank Rome's lobbying fees almost quadrupled, from \$1.1 million to more than \$4 million. More than one-quarter of those revenues were attributable to clients on whose behalf the firm contacted DHS. In 2004, the firm doubled its 2003 revenues from DHS clients to reach more than \$2.5 million. The firm pulled in more than \$1 million in fees from its DHS clients in the first half of 2005.

Blank Rome's meteoric rise in billable lobbying hours may well be extraordinary, but it is hardly the only politically influential outfit with high-rolling homeland security clients. Playing the same game is longtime Republican strategist and Bush Pioneer Charles Black, who has been cashing in on his GOP connections since his first lobbying partnership with the late Lee Atwater two decades ago. Through his lobbying firm, BKSH & Associates (a division of the public relations firm Burson-Marsteller), Black represents Fluor Corporation, an engineering and construction firm that is one of the top contractors for post-war reconstruction in Iraq. (He also used to represent Ahmed Chalabi and the Iraqi National Congress.) Last November, Fluor agreed to pay the government \$12.5 million to settle a whistleblower suit alleging that the company had knowingly overbilled the Departments of Defense and Energy on contracts for tens of millions of dollars of illegal costs, including executive bonuses, land investments, construction and building improvements, luxury condos, fine art, a Mercedes driven by the company's president, and an antique Chippendale chair. However, Fluor had already been awarded one of several \$100 million no-bid contracts by FEMA to construct temporary housing in the wake of Hurricane Katrina. Although the acting head of FEMA, David Paulison, promised those highly questionable deals would be re-bid, that has yet to happen.

Another BKSH client is Accenture, which, as an offshore company headquartered in Bermuda, avoids paying U.S. corporate income tax. Accenture is the prime contractor on the \$10 billion US-VISIT program, which is supposed to track foreigners entering and exiting the country's borders, using digital photographs and fingerprints; the use of other biometric data in the program is under study. Before the contract was awarded, technology experts criticized the proposed technologies as unproven and costly, and congressional Democrats attempted to kill it with an amendment that would have prohibited the DHS from contracting with a company headquartered offshore. (Such a measure subsequently became law, but it does not apply retroactively.) Even after the contract was awarded, government watchdogs criticized the leeway Accenture was given in shaping the contract requirements, leading Taxpayers for Common Sense,

a nonpartisan group, to liken it to a "blank check." Black's lobbying disclosures show he specifically lobbied on Accenture's behalf on US-VISIT and DHS appropriations, as well as tax issues pertaining to offshore companies.

All of this legalized gifting was predictable—and was, in fact, officially predicted. Clark Kent Ervin, who served until the end of 2004 as DHS inspector general, told the *Prospect* that in March 2003, he sent a memo to then-Secretary Ridge warning of the need to put procurement controls in place to avoid contracting waste and abuse. The memo never made it past the undersecretary for management because, Ervin said, she knew that the controls weren't in place and she didn't want Ridge to know they weren't. Ervin then sent a copy directly to Ridge, but never received a response. "Subsequent developments," says Ervin, referring to reports of millions of dollars in contracting waste and abuse, "were predictable."

The controls recommended by Ervin included hiring more procurement staff with deeper experience. The DHS procurement office, he said, had "so few people expert in contract procurement, the private sector was able to take the department for a ride." Referring specifically to contracting abuses at TSA, Ervin added that there was a "loose attitude regarding money."

Ervin's office did not investigate the role of lobbyists or political money in the procurement process. His opinion now is that the procurement process has improved, but he regards the "troubling" post-Katrina no-bid contracts let by FEMA as a "step backward." While he praised Greg Rothwell, the department's chief procurement officer, he warns that structural problems in DHS have stymied real reform because each agency within the department has its own independent procurement chief. This setup is inefficient, according to Ervin, and can "lead to abuse." Ridge refused to reform the procurement process, and thus far his successor as secretary, Michael Chertoff, has not made those changes either.

"Ridge is so nice he didn't want to alienate people," explains Ervin, while his successor "is not afraid to knock heads"—so the former inspector general is "surprised and disappointed" that the new secretary has yet to change practices that have proved vulnerable to abuse.

Indeed, Chertoff has shown little enthusiasm for transparency, even concerning problems that predated his arrival. When he appeared at a hearing of the House Committee on Government Reform last June, Democratic Representative Henry Waxman complained that his requests for basic information about the contracts awarded to Blank Rome's clients by DHS had been ignored for five months. Although Chertoff publicly promised that the department would release the documents requested by Waxman, the congressman's office said that as of December, DHS had still not fully responded, and had redacted portions of the Blank Rome documents provided to his investigators.

Secrecy allows abuses to flourish—and despite the ongoing uproar over crooked lobbying and corrupt contracting, that remains business as usual in the Bush administration. **TAP**

Sarah Posner is a freelance writer and a contributor to The Gadflyer blog.

Cant and Recant

Milton Friedman's latest research on the Federal Reserve challenges key assumptions of a very prominent economist: Milton Friedman.

BY ROBERT KUTTNER

MORE THAN ANY OTHER INDIVIDUAL, MILTON Friedman was the intellectual inspiration of the conservative counterrevolution against activist government as an engine of economic efficiency and social justice. In his scholarly work contending that government intervention invariably makes things worse, and in his popular polemics equating capitalism with human freedom, Friedman inspired conservative academic economists and movement activists alike. He is the high priest of the ideology that can be reduced to a bumper sticker: Markets work; government doesn't. More narrowly, Friedman is famous for the economic theory known as monetarism and the corollary view that the Federal Reserve System works best when it is essentially passive, contenting itself with maintaining stable prices.

Now in his 94th year, Friedman has just published new research with implications that are curiously double-edged. On one level, his study, in the latest issue of the *Journal of Economic Perspectives*, confirms his early scholarly work demonstrating that wrongheaded policy by the Fed drastically deepened the Great Depression. Friedman wrote, in his 1963 history of U.S. monetary policy with Anna Schwartz, that the Fed's error was to let the money supply shrink while the real economy was imploding. This conclusion is now accepted by scholars of all stripes, though Friedman gives the Fed's role far more weight than most. But on another level, Friedman's new work can be read as inviting a most un-Friedmanlike inference—that competent, creative, and vigorously interventionist government, in this case by central bankers, matters immensely. Friedman, of course, recoils from this conclusion. Yet the implications of his own research, read against the Fed's actual history, drive a stake in his anti-government ideology.

In his new work, Friedman compares three great bull markets, three ensuing stock-market crashes, and the recovery path after each: the Great Crash of October 1929, the Japanese slow collapse of the late 1980s and early 1990s, and the U.S. market meltdown of 2000-2001. He then looks at the money supply in each case and treats the results as a natural experiment. After 1929 in the United States, money supply plummeted and so did the economy. In the late 1980s in Japan, the money supply and

the economy were fairly stagnant. But in the United States after 2001, money supply and economic growth, after a brief pause, resumed growing.

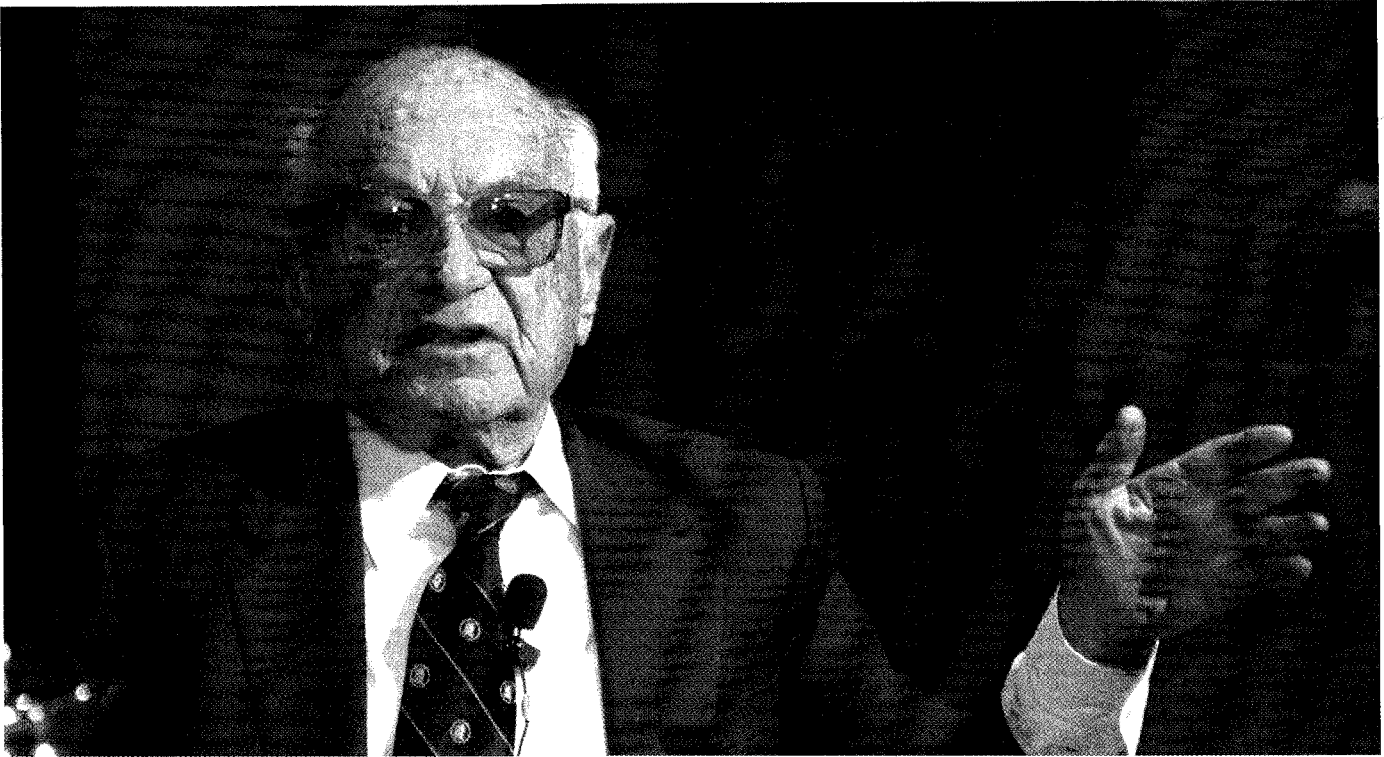
Friedman rightly credits Alan Greenspan's Fed for avoiding the mistakes of its 1929 predecessor. (Given the immense dependence of the United States on foreign borrowing, it remains to be seen whether Greenspan's successor, Ben Bernanke, can do as well.) For Friedman, what Greenspan did right was to keep the money supply and price level on a steady course. However, Friedman entirely glosses over what Greenspan actually did. For Friedman, the moral of the story is his usual one: The money supply is paramount, and the central bankers can do no better than to "target price stability" in their conduct of monetary policy. "Monetary policy," his paper concludes, "deserves much credit for the mildness of the recession that followed the collapse of the U.S. boom in late 2000."

But the Fed of the Greenspan era did far more than keep prices stable. It was the most interventionist Fed ever.

WHEN FINANCIAL MARKETS IMplode, INFLATION IS the least of a central banker's problems. In percentage terms, the stock market collapse of October 19, 1987, was nearly double the one-day crash of October 29, 1929. In the 1987 collapse, the market lost 22.6 percent of its value in a single day, compared to only 11.7 percent in the worst day of 1929. More shareholder equity was wiped out, relative to the gross domestic product, in the dot-com bust of 2000-2001 than in the Great Crash of 1929-1930.

In both the crashes of 1987 and 2000-2001, the Greenspan Fed prevented the crash from triggering a depression by flooding money markets with liquidity, jawboning bankers to keep lending, and all but commandeering Wall Street to continue credit flowing. It distorts history to contend, as Friedman does, that the Federal Reserve in the 1980s and 1990s was mainly in the business of maintaining stable prices.

On at least six occasions, Greenspan persuaded his colleagues to intervene very actively, stretching the limits of the law, to keep markets from destroying themselves. When the stock market collapsed in October 1987, just weeks into Greenspan's tenure, the



Fed Up: Milton Friedman, in spite of himself, concludes that intervention by the Federal Reserve is a good thing.

new chairman—working closely with Gerry Corrigan, then-president of the New York Fed—importuned banks to keep lending to brokerages that were technically under water. The Fed would keep them whole.

The entire credit system was on the verge of seizing up, as panicky brokers resisted paying short-term debts to other brokers. The Fed, with a deep knowledge of history, basically guaranteed payment. The Paul Volcker Fed had done much the same when it bent the regulatory rules in the early 1980s, after Third World loan losses left every major money-center bank technically insolvent.

In 1990, Greenspan personally intervened to bail out Citibank, which had taken a big bath on Third World loans, by arranging an infusion of Saudi money. He helped orchestrate the mopping up of the \$200 billion savings-and-loan meltdown. The Greenspan Fed intervened mightily during the Mexican crisis of 1994, lobbying Congress for a most un-marketlike \$40 billion bailout. Again, in the Asian currency panic of the late 1990s, Greenspan intervened aggressively to make sure that financial institutions following their own narrow self-interests did not trigger a credit crunch. Some critics contend that the Fed's policy of very low interest rates in the late 1990s, partly necessitated to keep money flowing to Asia, helped supercharge the stock market bubble. And after the stock market collapse of 2000-2001, Greenspan led the Fed to cut interest rates 12 times in a year, reducing the short-term interest rate effectively to zero.

Greenspan opened the monetary floodgates, even as George W. Bush was acting to pursue a very expansionary fiscal policy with immense tax cuts that were also blessed by Greenspan. (Liberals can properly take issue with the form of Bush's 2001 tax cut, which was far too heavily tilted to the wealthiest five percent of Ameri-

cans. The same deficit spending built on public outlays and tax breaks for working people would have delivered even more stimulus, dollar for dollar.) In short, despite Friedman's obsession with money supply, it took a very loose monetary policy by the Fed coupled with major interventions in the banking system plus a very stimulative budget (helped along by the willingness of foreign central banks to continue lending America money) to keep the post-crash economy from sinking into deflation and deep recession. Whatever Greenspan did, he neither put the money supply on automatic pilot nor passively targeted price stability.

INTERESTINGLY, THE DEFLATION DILEMMA WAS THE subject of a 1999 book written on the eve of the dot-com crash by Paul Krugman, *The Return of Depression Economics*. Reflecting on the Asian financial crisis, the austerity policies of the International Monetary Fund, the depressed purchasing power in the Third World, and the persistent stagnation of the Japanese economy, Krugman warned that deflation and failure of aggregate demand, phenomena supposedly banished by activist government after the 1930s, could return. Foreign creditors were imposing harsh deflationary measures on vulnerable emergent economies. Japanese consumers were acting out a scenario described by John Maynard Keynes. The more fearful they became, the more money they saved. In this Keynesian "liquidity trap," said Krugman, anxious consumers refused to spend; rational behavior by individuals was irrational for the economy as a whole. Central bankers could only do so much, since interest rates can't be reduced below zero. Even massive public works spending and wide-open monetary policy by the Japanese government were just barely enough to keep the economy from imploding.

Much more than money supply was involved. If Japanese au-

thorities were targeting anything, it was the health of Japanese exports, not Friedman's price stability. Indeed, given Japan's palpable liquidity trap, that nation's financial leaders would have welcomed a little inflation. Though Americans had no aversion to borrowing to maintain consumption, the world economy as a whole, including the United States, could find itself in this dilemma, Krugman warned. The conventional wisdom, he contended, was to worry about inflation, when the real concern was deflation. And contrary to Friedman, Krugman viewed deflation as a phenomenon that included institutional components such as the banking system, as well as demand-side factors, not just the money supply. Judging by his policy behavior, Greenspan, though a fellow conservative, was reading Krugman more than Friedman.

As Bernanke succeeds Greenspan as Fed chairman, he could face an even tougher challenge. With the dollar overvalued in world markets because of America's reliance on foreign borrowing, many economists believe the dollar is holding its value only because other central bankers continue propping it up so that American consumers will keep buying their exports. No less a figure than Volcker contends that this co-dependence is unsustainable, and that a dollar crash followed by a deep recession is only a matter of time.

These are uncharted waters for the Fed. Bernanke, who embraced the idea of inflation-targeting earlier in his career, has spent the last several weeks distancing himself from the concept. If, for example, the U.S. currency tumbled in world financial markets, the Fed would be torn between a policy of tight money to stem the dollar's fall and loose money to keep the domestic economy out of severe recession. Mainly, it would be imploring central bankers to keep lending. Targeting price stability, à la Friedman, would be of no use.

Friedman insists that markets always correct currency misalignments. "Of course there are periods when the exchange rate gets out of line," he told me. "[But] the market will adjust faster than the government would." Why is this true? Because it is true by definition. Governments always screw things up.

I CONDUCTED AN EXTENSIVE INTERVIEW WITH FRIEDMAN on the implications of his new study and on his views in general (see page 37; the entire transcript can be read online at www.prospect.org/web/kuttner). Friedman, despite his praise for the Greenspan Fed (and stunning understatement of what it did), is unrepentant in his views of government and the economy. He is a man of great charm and accomplishment, in remarkably full control of his scholarly faculties. He still displays the intellectual trademarks that have characterized his career: prodigious research, inventive use of evidence, and a redefinition of terms when unfolding facts fail to match his hypotheses.

While he has good reason to be satisfied that American politics has taken the turn away from activist government that Friedman has long commended, events have not been kind to his most cherished theories. For instance, Friedman and fellow monetarists have urged a "strict monetary rule." The Fed and other central banks should avoid the temptation to intervene proactively in the economy to even out its peaks and valleys in service of steady growth and full employment, and should instead keep their eyes

on the lodestar of stable prices. Friedman insists that this is what central banks since the 1980s have in fact done. But what good is zero inflation when the economy is sinking into deflation, as the Japanese economy was in the late 1980s and early 1990s, and the U.S. economy nearly was after the dot-com bust?

Another favorite Friedman idea was a "natural rate of unemployment"—the rate of joblessness that would keep prices roughly stable, supposedly around 6 percent. If governments or central bankers tried to reduce unemployment below this ostensibly natural rate, inflation would result, because workers in tight labor markets could bargain for wage increases in excess of their actual productivity.

However, the rate of unemployment that is consistent with stable prices turns out not to be a constant or knowable number, hence not a reliable target for monetary policy. As James K. Galbraith has demonstrated in these pages and elsewhere, the supposedly natural rate of unemployment moves around, as rates of productivity growth change, and as institutional factors, such as price competition and the strength of unions, shift. There is no reliable correlation between unemployment and inflation. Since the early 1990s, a lower and lower unemployment rate has been consistent with stable prices, because of increased productivity and competition.

Greenspan, against the advice of many of his colleagues, became a convert to this viewpoint. During the boom of the late 1990s, the Greenspan Fed allowed unemployment to fall to 4 percent, well below the level that would supposedly trigger inflation. For critics like Galbraith, this history is a good reason to junk the entire natural rate theory. But Friedman insisted in our conversation that the theory still holds. The natural rate does move, he acknowledged: It "just means whatever rate of unemployment is generated by the labor market with its friction, without producing inflation." But with that concession, the theory is just a tautology.

For Friedman, whatever government does makes things worse, by definition. Our conversation ranged across a wide variety of subjects where some role for government is seemingly necessary, from health care to schools to regulation of securities markets and the environment. When free markets do not provide a good or service that society needs at prices people can afford to pay, economists call that a positive externality. The whole concept makes Friedman uncomfortable. When pressed, he concedes that government ought to provide "catastrophic" health insurance for people who can't afford to buy it, but as a humanitarian act of charity and not as an act of economic efficiency. He blames the rising cost of health care not on the advances of medical technology but on government.

Friedman makes similar arguments about schooling. In his ideal world, government would cease providing, or even financing, schools entirely. "My ideal school system," he told me, "would be one in which parents are responsible for supporting [the education of] their children, as they are responsible for feeding and clothing them." He added, "If government has any role at all, it is solely on a humanitarian basis, for those cases of indigent families who simply cannot afford to school their child." Friedman contends, in an inventive use of statistics, that in Britain, in

Agreeing to Disagree

ROBERT KUTTNER You have obviously had the enormous satisfaction of seeing your ideas influence a revolution. ... Does this make you any more optimistic about the ability of the political process to work, and of government to learn over time?

MILTON FRIEDMAN I've always been realistic about this. I do not think you can change [government].

RK Are there times when, because of the unique role of the dollar and the ability of the United States to borrow dollars from sovereign countries, exchange rates can get dangerously out of alignment?

MF Of course there are periods when the exchange rate gets out of line—the question is what is the best way to adjust? The market will adjust faster than the government would.

RK I have argued that in most sectors of the economy markets work as advertised, but there are some sectors such as health care where, for a variety of structural reasons, if you let the free market operate you will have socially unpleasant consequences and maybe even inefficient consequences, in that epidemics will spread and that sort of thing ...

MF Wherever government is largely involved, inefficiencies result.

RK Let's assume we repeal Medicare and Medicaid, and make provision of medical care a matter of individual purchasing

power plus charity. How would that work?

MF I can recognize that there might well be a role for government, enacting help for the poor and for catastrophic cases.

RK But if you believe in free markets, why should there be any help?

MF The only thing that really differentiates medicine is that an individual family has to make a decision to care for a sick person. Hopefully insurance will take care of that. It does in the case of housing and other areas. We don't subsidize automobile insurance.

RK Would you regulate insurance companies to make it illegal for them to refuse to insure people who were deemed to be at risk of getting sick?

MF No, I wouldn't.

RK And what about school vouchers?

MF My ideal school system would be one in which parents would be responsible for supporting their children, as they are responsible for feeding and clothing them, in which if the government has any role at all it is solely on a humanitarian basis, for those cases of indigent families who simply cannot afford to school their child.

RK The bottom quartile of the income distribution probably couldn't pay the going rate to have their kids schooled, so how would their kids get schooled?

MF In every society, however poor, the bottom quartile does school their children. The reason why the bottom quartile has low disposable income is partly because of our lousy educational system plus the taxes they now pay for that school system. One of my major reasons for being in favor of vouchers is because I believe that defects in our educational system play a major role in the growing inequality of income.

RK The whole system of independent accounting firms certifying to the accuracy of corporate books came crashing down in the '90s. Do you think the private market was capable of repairing that?

MF I really have never studied that problem.

RK I guess the basic disagreement is that I think there are more sectors of the economy that either are not self-regulating or [that] do not get the right resources.

MF I think the real difference is that you have more confidence in government than I do.

RK No, I don't have necessarily have confidence in government. ... But I think you've got to work harder at having the government to do what it has to do better. Ironically enough, the Federal Reserve is one of the proofs of the pudding, because that, after all, is part of the government, and it has learned some things over 70 years.

MF Wait another 10 or 20 years. I trust the government to behave like a government.

For the full text of the interview, please visit www.prospect.org/web/kuttner.

the 1870s and 1880s, before there was compulsory education, "something like 90 percent of the kids were going to school" and that "educational performance did not go up after government got involved." In fact, in Britain, compulsory schooling beyond age 10 was not even a national requirement until 1880, and the vast majority of teenagers did not attend secondary school.

A signature Friedman debating technique is to disclaim knowledge when conversation moves into an area where the facts are at odds with his theories. For example, self-regulation obviously failed investors in the multiple insider-trading, self-dealing, and stock promotion scandals of the late 1990s that in turn led to the stock-market bubble. Insiders ripped off investors by cooking corporate books, misallocating trillions of dollars of investment capital. The misrepresentations went on for a decade. But as Friedman sees things, it was the market that ultimately

brought down Enron and the rest, not Eliot Spitzer or the SEC. And what of the industry lobbying that led the Republican Congress, as part of the Contract with America, to weaken the laws that allowed defrauded investors to sue and virtually invited abuses? "I don't know what those amendments were. You've got me out of my depth," he said modestly.

So, in the end, is Milton Friedman pleased that the Federal Reserve, in the more than 75 years since the 1929 cataclysm, has learned how to prevent a stock market crash from turning into a general depression? Doesn't this suggest that at least some government agencies are capable of institutional learning, and that interventionist government is often necessary to save the market from itself? Friedman is unmoved.

"Wait another ten or twenty years," he told me. "I trust the government to behave like a government." **TAP**

The administration says the terrorists hate us for who we are. But that isn't what the terrorists say—or what the record shows.

IT'S WHAT WE DO

BY IVAN ELAND

GEORGE W. BUSH, IN HIS GLOBAL WAR ON TERROR, has specifically avoided the clash of civilizations hypothesis, holding that the United States is not waging a war against the religion of Islam. However, the president has backed into the hypothesis by saying that terrorists “hate us because we are free.” The president, that is, has essentially made the argument that they hate America for “what it is.” We are not, Bush once said, “facing a set of grievances that can be soothed or addressed.” After September 11, this argument proved extremely seductive to the American political classes, media, and public, all of whom perceived that American values were under attack by the alien and villainous values of the Islamists. The argument has provided, for four years, the entire philosophical basis for how the U.S. government is fighting terrorism.

Yet the argument is wrong. Had people bothered to scratch below the surface, they would have seen warning signs that Bush's aphorism was false and even dangerous. To start with, public opinion polls in Islamic nations repeatedly show that people in those countries actually admire America's political and economic freedom. They also admire American wealth, technology, and even culture. So some other factor must be generating anti-U.S. hatred in these parts of the world.

Furthermore, Bush's grand plan to reduce terrorism by spreading freedom and democracy to Islamic nations—thereby eliminating the hatred of such values—is not based on any empirical evidence that oppression causes terrorism. Spreading democracy doesn't reduce terrorism and, if anything, actually may make it worse. F. Gregory Gause III, a political scientist at the University of Vermont who reviewed terrorism statistics and the academic literature, noted that the State Department's own statistics from 2000 to 2003 reported 269 major terrorist incidents in countries Freedom House classifies as “free,” 119 in “partially free” nations, and 138 in “not free” countries. These data corroborate an earlier well-known study by William Eubank and Leonard Weinberg, professors at the University of Nevada, Reno, which found that most terrorist attacks happen in democracies—with both the victims and the attackers usually being citizens of democracies. Gause also notes that recent elections and public opinion polls in Arab countries indicate that the advent of democracy would probably generate Islamic governments that would be much less likely to cooperate with the United

States than their authoritarian predecessors. Those Islamic governments might also be more likely to sponsor terrorism.

Iraq provides a current example of democratization leading to more terrorism. During the authoritarian reign of Saddam Hussein, Iraq provided some limited assistance to selected Palestinian groups attacking Israel, but did not fund groups that focused their attacks on the United States. Terrorism now runs rampant in a more democratic Iraq, which, according to the U.S. intelligence community, threatens to become an even more significant training ground for worldwide Islamist jihad than Afghanistan during the Soviet occupation.

Finally, and most importantly, the evidence is startlingly clear that Bush's war on terror has actually made things worse. According to the State Department's data, the number of major terrorist incidents worldwide increased from 121 in 2001 to 175 in 2003, a 21-year high. Then, in 2004, the number skyrocketed to 655 significant attacks. Richard Clarke, the chief counterterrorism advisor to both Presidents Bill Clinton and Bush, has noted that terrorism in the three years after 9-11 exceeded that during the three years preceding it.

If evidence indicates that Bush's broadly constructed war on terror is counterproductive, what can be done to get better results? To respond adequately to terrorism, the U.S. government and American people need to know why the terrorists are motivated to give up their time, money, and sometimes even their lives to attack the targets of a faraway land. To deny or delude ourselves about the true causes of such terrorism is dangerous. And the facts about terrorism lead us to the conclusion, contro-



versial and difficult to accept as it may be, that the terrorists don't hate the United States for "what it is." They hate the United States for what it does.

LET'S TAKE ANOTHER LOOK AT THOSE PUBLIC OPINION polls in Islamic countries. Although people in most of those nations admire U.S. political and economic freedoms, wealth, technology, and culture, the poll numbers plummet when respondents are asked if they approve of U.S. foreign policy toward the Arabic and Islamic world. A recent poll conducted by Zogby International and the University of Maryland asked 3,617 respondents in six Arab nations: "Would you say that your attitudes toward the United States are based more on American values or on American policy in the Middle East?" More than 75 percent of respondents specified policies, while just 11 percent objected more to American values.

Empirical evidence indicates that a primary cause of terrorism is the U.S. government's foreign policy. In a 1998 report entitled "Does U.S. Intervention Overseas Breed Terrorism?: The Historical Record," I cataloged more than 60 terrorist attacks against U.S. targets; all were perpetrated in retaliation for U.S. foreign policy. For example, since the 1970s, terrorists have struck U.S. targets in retaliation for, among other things, support and aid for the Shah of Iran and for Israel; aid and military advisors sent to the Salvadoran government; our military presence in Honduras, Panama, Japan, the Philippines, and the Persian Gulf; hostile actions toward Libya; involvement in the civil wars in Lebanon, Bosnia, Kosovo, and Somalia; and prosecution

of the first Gulf War and the use of Turkish bases to do so.

In the report, the most noteworthy instances of such retaliatory terrorist attacks are:

- In 1968, Robert Kennedy was assassinated by Sirhan Sirhan, who regarded Kennedy as a collaborator with Israel. Sirhan was born to Palestinian parents and felt betrayed by Kennedy's support for Israel in the 1967 Six-Day War.

- In 1979, supporters of new Iranian leader Ayatollah Ruhollah Khomeini seized the U.S. embassy in Tehran and took hostages in retaliation for the long-time U.S. support of the Shah. The Iranians also sponsored many other terrorist attacks against American targets around the world.

- In the early 1980s, an Iranian-sponsored Shiite Hezbollah group struck U.S. embassy buildings and military facilities in Lebanon and kidnapped Americans in retaliation for U.S. military support of the Christian government against Muslim militias. In what was ostensibly a U.S. peacekeeping mission, the United States supported factions that were the friendliest to Israel. The culmination of Hezbollah's anti-U.S. campaign was the suicide bombing of the U.S. Marine barracks, which killed 241 U.S. troops and caused President Ronald Reagan's ignominious withdrawal of U.S. forces from Lebanon.

- U.S. provocations in the Gulf of Sidra led to Libya's covert campaign to strike at U.S. targets in retaliation. In August 1981, shortly after coming to power, Reagan decided that Muammar Quaddafi was acting as a Soviet agent and was a terrorist. The terrorist attacks sponsored by Quaddafi focused on European targets, but Reagan decided to invade Libya's claimed airspace and

territorial waters in the Gulf of Sidra. U.S. jets entered the gulf and shot down two Libyan aircraft. In late March 1986, Reagan sent the largest peacetime U.S. naval armada into the gulf to challenge Quaddafi again. Predictably, Libya shot missiles at the armada, and the United States destroyed a missile site and three Libyan naval craft. On April 5, 1986, in retaliation for this, Quaddafi sponsored the bombing of the La Belle nightclub in West Berlin, which was frequented by U.S. military personnel. On April 15, 1986, the tit-for-tat continued with U.S. retaliation for the La Belle bombing: air strikes on Tripoli and Benghazi, Libya, which bombed Quaddafi's tent and killed his daughter. The conventional wisdom is that these air strikes intimidated Quaddafi from committing further acts of terrorism. In fact, according to the Defense Science Board, quite the opposite happened. Quaddafi began a secret campaign of anti-U.S. terrorism that sometimes involved hiring other groups, such as the Japanese Red Army, to launch attacks. Quaddafi's campaign culmi-

***Paradoxically, the larger our military becomes,
and the more the U.S. "defense" perimeter is
expanded, the less secure Americans will be.***

nated in the bombing of Pan Am flight 103 over Lockerbie, Scotland, killing all on board. In short, much like President Bush's invasion of Iraq, Reagan's bellicosity against Libya created blowback terrorism where none had existed before.

During the Persian Gulf War, from mid-January to mid-February 1991, anti-U.S. attacks spiked around the world. During that war, the attacks numbered 120, compared to 17 during the same period in 1990. In 1993, a group of Iraqis was arrested in Kuwait and charged with an Iraqi government plot to assassinate former President George H.W. Bush. A large car bomb and weapons were confiscated. Saddam Hussein had vowed to assassinate Bush for his prosecution of the war.

In early 1993, Islamic extremists attempted to kill 250,000 people by toppling the twin towers of the World Trade Center in New York City. Ramzi Yousef, the leader of the group, claimed that the intent was to cause casualties on the order of the atomic bomb blast at Hiroshima in order to punish the United States for its support and aid for Israel. But the car bomb, placed in the parking garage under one of the towers, did not topple them. (The perpetrators had considered augmenting the bomb with chemical or radiological agents that would have increased the casualties.) Later in 1993, as a follow-up to the World Trade Center attack, the same group planned to assassinate Senator Al D'Amato of New York and destroy several New York landmarks in one day, but they were caught before they could carry out the plot. Yousef himself was arrested before he could carry out yet another plot to simultaneously bomb 12 jumbo jets and kill 4,000 passengers.

In 1996, Hezbollah of Saudi Arabia (which differs from Hezbollah of Lebanon) attacked the U.S. military apartment complex at Khobar Towers near Dhahran, Saudi Arabia. The

attack killed 19 U.S. airmen and wounded 515 people. The perpetrators, rather than despising America per se, had a very specific, realpolitik goal: They wanted to compel the withdrawal of the U.S. military from Saudi Arabia.

Also, in October 2003, a U.S. diplomatic convoy was attacked in Gaza. Three U.S. security guards were killed. A day earlier, Israel had arrested suspects from a rogue Palestinian militant group. A senior U.S. official believed the attack on the convoy was motivated by growing anti-American resentment in Palestinian areas caused, in part, by U.S. policy in the region.

My report also described several al-Qaeda-related attacks. In late 1993, Osama bin Laden's al-Qaeda fighters trained Somalis who conducted an ambush of U.S. forces in Somalia. The ambush caused the downing of two helicopters, the deaths of 19 U.S. soldiers, and eventually a U.S. withdrawal from Somalia. A criminal indictment of bin Laden's followers noted that al-Qaeda believed that the "infidel" United States planned to occupy Islamic countries, as shown by its involvement in Somalia and the first Gulf War.

Al-Qaeda has also been implicated in bombing attacks against a U.S. military complex in Riyadh, Saudi Arabia, in 1995 and the U.S. embassies in Kenya and Tanzania in 1998, which caused more than 200 deaths. The attacks on U.S. military facilities in Saudi Arabia were designed to compel

the withdrawal of non-Islamic U.S. forces from the nation containing Islam's holiest shrines.

SINCE THE RELEASE OF MY STUDY, AL-QAEDA AND AFFILIATED groups have attacked several U.S. and Western targets: the *U.S.S. Cole*, a warship that was refueling in Aden, Yemen, in 2000; the Pentagon and the World Trade Center in 2001; the U.S. consulate in Pakistan in 2002; four trains in Spain in March 2004; the U.S. Consulate in Jeddah, Saudi Arabia, in December 2004; the subway system in London two times in 2005; and three American chain hotels in Jordan, also in 2005. After the attack on the *U.S.S. Cole*, President Clinton implicitly acknowledged that U.S. foreign policy was the cause of the attack: "If their intention was to deter us from our mission of promoting peace and security in the Middle East, they will fail utterly." The attacks on the Spanish trains and British subway system were also related to U.S. foreign policy. Al-Qaeda wanted to drive a wedge between the United States and the only other countries in the world that provided significant forces to invade and occupy Iraq. The group was hoping to attack the home territories of those two nations to compel them to withdraw their troops from Iraq.

In January 2002, Lashkar-e-Jhangvi—a Pakistani group linked to al-Qaeda's Khalid Sheikh Mohammed (the mastermind of the 9-11 attacks), Mohammed's nephew Ramzi Yousef, and Abu Musab al-Zarqawi, the head of al-Qaeda in Iraq—kidnapped and beheaded *Wall Street Journal* reporter Daniel Pearl in Pakistan. Mohammed is believed to have been involved in the beheading. The group's demands were an immediate end to U.S. presence in Pakistan, release of all prisoners at the military prison in Guantanamo Bay, Cuba, the return of Pakistani prisoners to Pakistan,

and delivery of F-16 fighter aircraft that Pakistan had paid for but the United States never delivered. The group proclaimed, “We assure [sic] Americans that they shall never be safe on Muslim land of Pakistan.” This statement indicates that one of its major goals is not about freedom at all, but is quite specific—to remove the “infidel” presence from Muslim lands.

Zarqawi has the same motivation when he attacks U.S. and allied forces (for example, the Italians in Nasiriyah) in Iraq. Although Zarqawi supplies only a small percentage of Iraq’s rebels, his forces account for a disproportionate share of the carnage because of their numerous and effective suicide attacks. In November 2005, Iraqis linked to Zarqawi launched suicide bombings against three American chain hotels in Amman, Jordan, in retaliation for U.S. military attacks on Fallujah, Iraq.

U.S. LEADERS WOULD PREFER TO MUDDLE BIN LADEN’S motives for attacking the United States. Yet if they want to know why bin Laden has dedicated his life to killing Americans and their allies, they don’t even need to ask him. He has written many manifestos and has done interviews with Western media. From these writings and interviews, one can conclude only that bin Laden’s major grievance is with U.S. foreign policy. According to Peter Bergen, one of the few Western journalists to interview him, bin Laden rarely condemns permissive U.S. culture. Also, he rarely speaks of the evils of democracy as such. Instead, he is especially incensed by U.S. support for corrupt regimes in the Islamic world and the U.S. military presence in the Islamic lands of the Persian Gulf, a presence he would like to dislodge. A lesser issue is his opposition to U.S. support and aid for Israel. Recently, al-Qaeda also has attacked U.S. allies, but only to drive a wedge between them and the United States in order to stymie U.S. overseas intervention—especially in Iraq.

In a recent study on suicide bombing, Robert A. Pape, an associate professor of political science at the University of Chicago—and a conservative—agrees that bin Laden’s primary reason for attacking the United States and its allies is to drive “infidels” out of Muslim lands. Although the constant use of the word “infidels” seems to indicate that religion is driving bin Laden’s efforts, Pape recognizes that bin Laden’s is really a nationalistic attempt to drive a democracy out of his homeland. He also notes that many other suicide bombing campaigns—such as the Sikhs’ attacks against the Indians in the Punjab province of India, the Tamil Tigers’ strikes against the Sinhalese in Sri Lanka, and the Kurdistan Workers’ Party’s attacks against the Turks—have had nothing to do with Islam and are also attempts to oust a democratic intruder from a national homeland.

Recent publicity surrounding Pape’s study has given much needed, but belated, exposure to the sensitive thesis that the United States is attacked for “what it does” rather than “what it is.” The evidence has overwhelmingly pointed in this direction for some time. Pape’s results are the latest to be added to the pile.

But mere logic should indicate that the United States is usually not attacked for “what it is.” Like the United States, many nations are wealthy, have corporations with a global business presence, export their technology and culture along with their products, and allow political, economic, and religious freedoms,

but they are not prime targets for terrorists. The United States’ use of a dominant military and a covert action arm (the CIA) to intervene in the affairs of other nations all over the world is its unique attribute. If logic is not enough, on October 29, 2004, bin Laden—frustrated with Bush’s allegation that al-Qaeda strikes the United States because of its freedom—created a videotape specifically mentioning as the reasons for his attacks U.S. meddling in Muslim lands and supporting corrupt rulers there:

Contrary to Bush’s claim that we hate freedom ... why don’t we strike Sweden? ... We want to restore freedom to our nation ... Bush is still engaged in distortion, deception and hiding from you the real causes ... The events that effected my soul in a direct way started in 1982 when America permitted the Israelis to invade Lebanon. And the American Sixth Fleet helped them to that ... And as I looked at those demolished towers in Lebanon, it entered my mind that we should punish the oppressor in kind—and that we should destroy the towers in America in order that they taste some of what we tasted, and so that they be deterred from killing our women and children. We found it difficult to deal with the Bush administration, in light of the resemblance it bears to the regimes in our countries, half of which are ruled by the military and the other half of which are ruled by the sons of kings and presidents ... Your security is in your own hands. And every state that does not play with our security will automatically guarantee its own security.

Paradoxically, the larger and more capable the U.S. military becomes (as a result of recent defense budget increases) and the more the U.S. “defense” perimeter is expanded, the less secure Americans will be. In other words, empire does not equal security and, in fact,, undermines it. Before doing anything else, the first responsibility of any government should be to provide security for its people and the territory they live in. The U.S. government, however, has not only neglected such homeland security but has actively undermined it by making unnecessary enemies abroad. For example, during the latter part of the Cold War, to give the rival Soviet superpower another Vietnam, funding militant Islamic opposition fighters in the remote backwater nation of Afghanistan seemed like a great idea. But overseas meddling can have unpredictable and usually unfavorable consequences. The radical Islamists—supported by U.S. funds—morphed into al-Qaeda, turned on their benefactor, and became one of the most severe strategic threats to the U.S. homeland in American history.

If, during the Cold War, U.S. interventions in faraway non-strategic countries were questionable, the demise of the rival superpower has made the benefits of copious U.S. interventions overseas even less obvious. And the costs of such interventions have increased dramatically. All empires have experienced blowback, but modern transportation, communications, and weaponry—including possibly nuclear, biological, chemical or radiological devices—could make it catastrophic, as demonstrated on 9-11. Thus, the militaristic, activist U.S. foreign policy is out-of-date and should be changed.

A more restrained foreign policy is crucial because improved intelligence and homeland security can only do so much. Officials in the intelligence community agree that intelligence is not perfect (the understatement of the decade, after the failure to de-

tect the 9-11 plot and Iraq's lack of significant nuclear, biological, and chemical weapons and programs), and that future successful terrorist attacks are likely. The United States is a large, wealthy, free country with porous borders and many lucrative targets to hit—for example, skyscrapers, ports, schools, sports stadiums, and chemical and nuclear plants. Furthermore, the recent reorganizations of government intelligence and homeland structures added bureaucracy that may actually impede the government's ability to counter small, agile terrorist groups, which don't have to fill out piles of forms to accomplish their mission. Given the vulnerability of the country to terrorism and the government's inability to protect everything, reducing the motivation for terrorists to attack the United States is crucial. Using military force only as a last resort in times of genuine peril to the nation would reduce the size of the bull's eye that the U.S. government has painted on the backs of its people.

If doubt exists that a change in policy toward more restraint would have the desired result, history shows that Hezbollah of Lebanon drastically curtailed its attacks on U.S. targets after the United States withdrew military forces from there, and that Libya's anti-U.S. attacks tapered off after the Reagan administration and its provocations of Quaddafi ended.

This policy change was not made by either the Clinton or Bush administrations before the inevitable happened on September 11. After 9-11, even though Bush had promised "a more humble foreign policy" during the 2000 presidential campaign, he turned 180 degrees and did the worst possible thing by using the tragedy in New York and Washington as an excuse to invade another Muslim country—this one containing Shiite holy shrines. It's a pretty good bet that the aggressive Bush administration foreign policy has helped cause the post-9-11 spike in terrorist activity.

DOES ATTRIBUTING THE PRIMARY CAUSE OF ANTI-U.S. terrorism to U.S. foreign policy and advocating military restraint overseas implicitly blame the victim for the attack and indicate that we should appease terrorists? Neither is the case. The terrorists' killing of innocent civilians is heinous, and the short-term U.S. policy should be to punish terrorist groups that attack the United States, whether apprehending their members by using intelligence and law enforcement methods or killing them with the quiet and surgical use of military force (to avoid inflaming anti-U.S. hatred as much as possible). Thus, a policy of swift punishment meted out to anti-U.S. terrorist groups, especially al-Qaeda, cannot be misconstrued as appeasement.

But in the long-term, Americans must realize that although the terrorists are wrong for killing innocents, their own government bears some of the blame for creating the underlying grievances motivating terrorists to attack in the first place. Over the longer horizon, the U.S. government should quietly narrow its conception of vital interests and adopt a policy of military restraint. Also, a more restrained foreign policy, by changing how Arabs think about America, could dramatically lessen whatever popular support terrorists have in Islamic countries.

A more humble U.S. foreign policy would include removing U.S. support for despotic Arabic governments, such as those in Egypt, Jordan, Saudi Arabia, and other Persian Gulf countries;

eliminating the U.S. military presence in the Persian Gulf; terminating the more than \$3 billion in aid given to the wealthy state of Israel and adopting a more neutral policy toward the Israeli-Palestinian dispute; and avoiding antagonistic—overt or covert—behavior toward groups that don't focus their attacks on the United States, such as Hezbollah, Hamas, and Palestinian Islamic Jihad, all of which concentrate on striking Israel. Although these significant departures from existing U.S. policy may be difficult to achieve soon, Americans should realize that adopting them would dramatically reduce terrorists' motives to attack the United States. If Americans want to continue such policies anyway, they should at least be aware of the high cost.

Far from appeasement, these policy changes would benefit the United States whether or not anti-U.S. terrorists launch attacks. Costs in U.S. lives and money would be reduced dramatically, the U.S. military would not be in its currently overstretched condition, and imperial overextension would be eliminated—all reducing the likelihood of American decline as a great power. Furthermore, resisting the urge to strike groups and countries that aren't attacking the United States is more in keeping with the values of a republic (rather than those of an empire).

A policy of military restraint overseas merely goes back to the traditional U.S. foreign policy adopted by George Washington, Thomas Jefferson, and the other founders and followed (with sporadic deviations) until after World War II. The founders realized that the United States had intrinsic security because of separation by two great oceans from the world's centers of conflict. Despite advances in transportation and communications, the U.S. is still relatively immune from conventional attack or invasion, especially with the deterrent effect of our modern nuclear weapons. The only threat that such distances and military capability cannot defeat or deter is the terrorist threat. Because the intrinsically good U.S. security situation has always allowed the United States the option of staying out of most foreign conflicts, the age of catastrophic terrorism now makes imperative that course of action.

The founders also realized what many modern-day politicians have forgotten: Constant warfare undermines the republic. As Rome's territory grew, power passed from the assembly to the aristocratic Senate to the dictator to the emperor. Similarly, in the United States, the aberrant post-World War II interventionism overseas has concentrated power in an imperial president and is undermining the nation's civil liberties. U.S. interventionism provokes terrorist attacks, which in turn lead to the constriction of civil liberties—for example, the USA PATRIOT Act and unconstitutional executive actions by the Bush administration. A more restrained U.S. foreign policy would eliminate the security-civil liberties trade off—America could have both. So as advantageous as lower costs and lower casualties (to U.S. troops and indigenous peoples overseas and American civilians at home) of a more humble foreign policy would be, the greatest benefit would accrue to our cherished and unique constitutional system. The U.S. empire threatens the American republic itself. **TAP**

Ivan Eland is a senior fellow and director of the Center on Peace and Liberty at the Independent Institute. He is based in Washington, D.C.

The Other Bryan

William Jennings Bryan, reactionary boob? That's one story. But there is much else to admire—and emulate.

BY MICHAEL KAZIN

IMAGINE THE IDEAL DEMOCRATIC NOMINEE FOR PRESIDENT. He's twice won election in Nebraska, one of the reddest of states, and is just as popular across the South and Midwest. He's a charismatic, energetic orator. He's also a stalwart progressive who has taken tough stands against corporate crime, to aid labor organizers, and to raise taxes on the wealthy. His marriage is loving and cooperative, and his three children long to emulate their father. Although a war veteran, he's an eloquent advocate of peaceful solutions to international conflicts. Most significantly, he's a devout churchgoer and lay minister who preaches that every true Christian has a duty to transform a nation and world plagued by the arrogance of wealth and the pain of inequality.

That man is William Jennings Bryan. Of course, he's been dead for 80 years, but progressives should encourage a resurgence of the social gospel he championed if they hope to regain power in what remains the most religious nation in the developed world. The small chance that, in 2008, the Democrats will find and nominate another politician who's both a flaming liberal and a serious evangelical raises a vital question: Whatever happened to the Christian left which Bryan helped to lead?

It was once a force of great size and fervor. From the mid-19th century through the 1930s, activist believers dominated an array of progressive movements. Abolitionists cursed slavery as a "national sin." The Knights of Labor labeled big business the "anti-Christ" that only a "new Pentecost" could humble. The Women's Christian Temperance Union, the largest women's group in the nation during the late 19th century, declared that its work to close down saloons, improve prison conditions, shelter prostitutes, and support female labor unions was an expression of "God in politics." In the agrarian heartland, Populist lecturers assured

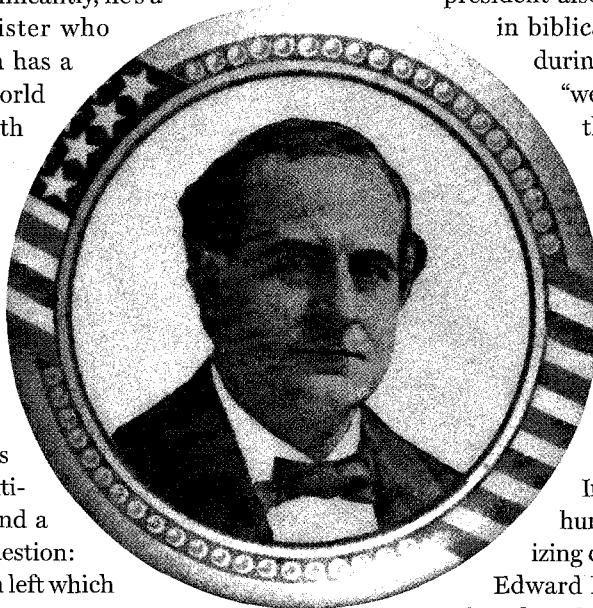
their audiences, "God has promised to hear the cry of the oppressed." Eugene Debs admired Jesus Christ as "a pure communist" and pinned his portrait to the otherwise bare walls of the prison cell where he was serving time for opposing World War I. Mass protests routinely called on the language of the Bible because, like the Declaration of Independence and the Constitution, it was the common property of Americans and thus needed no explanation or apology.

In the early decades of the 20th century, every progressive president also spoke comfortably and frequently in biblical metaphors. Theodore Roosevelt, during the 1912 campaign, thundered that "we stand at Armageddon and battle for the Lord." Woodrow Wilson consistently framed his messianic foreign policy in terms he had learned from his father, a Presbyterian minister. Franklin Roosevelt sprinkled references to the Bible and John Bunyan's *Pilgrim's Progress* into many of his speeches.

Both at the grass roots and inside the White House, the Christian left was largely a Protestant phenomenon. In cities from San Francisco to New York, hundreds of priests instilled labor organizing campaigns with a pious energy. Father Edward McGlynn, an ally of the Knights of Labor, described Christ as "an evicted peasant" who

"came to preach a gospel of liberty to the slave, of justice to the poor, of paying the full hire to the workman." The leading theorist of a living wage was Monsignor John A. Ryan of The Catholic University. And, at every convention of the Congress of Industrial Organizations during its glory days, a priest or bishop delivered the opening invocation. "A victory for labor in its struggles for decent conditions," declared Father Charles Rice from Pittsburgh in 1938, "is a victory for Americanism and Christianity."

Bryan was the first major-party politician to advocate what became the core of modern liberalism: expanding the powers of



the federal government to serve the welfare of ordinary Americans. He preached that the national state should counter the overweening power of banks and industrial corporations by legalizing strikes, subsidizing farmers, taxing the rich, banning private campaign spending, and outlawing the "liquor trust." "The power of the government to protect the people is as complete in time of peace as in time of war," Bryan declared in 1922. "The only question to be decided is whether it is necessary to exercise that power." Bryan did as much as any politician to transform his party from a bulwark of laissez-faire into the citadel of liberalism we identify with FDR and his ideological descendants. (Herbert Hoover once snapped that the New Deal was "Bryanism under new words and methods.")

Bryan did want the power of the state to extend into the moral realm. He believed that liquor companies robbed workers of their wages and corrupted family life. His opposition to evolutionary theory stemmed from a similar impulse. In 1925, Bryan joined the legal team prosecuting John Scopes because, like many Americans at the time who were not scientists, he equated Darwinism with social Darwinism, particularly with

leader of a party anchored in the "Solid South," never denounced the cruel system of Jim Crow. Neither did he protest when Dixie Democrats enacted state laws that deprived most black citizens of the right to vote. During his 1908 campaign, Bryan rebuffed an overture of support from W.E.B. DuBois, fearing it would anger and splinter his base. His racist position, one echoed by most white Democrats until the mid-1930s, damaged his liberal image, not to speak of crippling his soul. It also left intact the gulf of mistrust between Bryan's white followers and black evangelicals, groups which could have benefitted from a working alliance against big landowners and union-busting employers.

Nevertheless, as late as 1940, wage earners and small farmers of both races could read the Bible as a class-conscious text. That year, Woody Guthrie, who was close to the Communist Party, sang that "Jesus Christ was ... A hard-working man and brave" who "said to the rich, 'Give your goods to the poor.' But they laid Jesus Christ in His grave."

The sharp division between the religious left and right emerged only after World War II. During the 1950s and 1960s, activists for black freedom and migrant farm labor turned the social gospel into a credo of racial justice. Martin Luther King, Jr., explained, "It's all right to talk about heaven. I talk about it because I believe firmly in immortality. But you've got to talk about the earth. ... It's even all right to talk about the new Jerusalem. But one day we must begin to talk about the new Chicago, the new Atlanta, the new New York, the new America." Liberal Christians of all ethnic

backgrounds marched along with King, Cesar Chavez, and the secular foot soldiers of their causes. With the support of sympathetic lawmakers, they dismantled the racist order for which Bryan had apologized.

At the same time, the force that would become the Christian right began to define itself in opposition to modernist liberals, whether inside or outside the churches. Few white evangelicals supported either the black or Chicano crusades for justice. During the heat of the civil rights struggle, some theological conservatives, such as Jerry Falwell, defended segregation and backed such race-baiting politicians as George Wallace and Jesse Helms. But most turned inward, building new churches and asserting their political muscle mainly on issues like prayer in the schools that directly affected the status of their religion. And their harvest was impressive. Starting in the mid-1960s, every evangelical body enjoyed a spurt in membership. Soon, the Southern Baptist Convention had become the largest Protestant denomination in America. And when white evangelicals joined the GOP coalition in the late 1970s behind Falwell and his ilk, the old social gospel was nowhere in sight.

Why did Bryan's successors reject his meld of liberal policies and biblical orthodoxy? In addition to the racial divide, the Scopes trial marked a transition of sorts. Some Americans who took Bryan's side during that confrontation in Dayton, Tennessee, did not share his progressive reasoning. Like today's

When white evangelicals joined the Republican coalition in the late 1970s behind Jerry Falwell and his ilk, the old liberal social gospel that Bryan and others preached was nowhere in sight.

a belief in eugenics. He feared that the result of replacing belief in a merciful God with the doctrine of survival of the fittest would be "a system under which a few supposedly superior intellects, self-appointed, would direct the mating and the movements of the mass of mankind." Bryan burned only to see religion heal the world.

This conviction helped the man known as the Great Commoner attract a tremendous following. Bryan probably received more letters than any other politician in his era, including every president until FDR. He was the most popular speaker in America at a time when oratory was a prime source of entertainment. If his Republican opponents hadn't enjoyed solid support from the industrial elite—which enabled them to outspend him by as much as 1,000 percent—Bryan may well have been elected president.

Remarkably, few loyalists abandoned Bryan after he failed to capture the White House. In their eyes, he was spiritual kin to the patriarchs and prophets who, to quote Hebrews 11, "subdued kingdoms, wrought righteousness, obtained promises, [and] stopped the mouths of lions." His fame and influence depended on his passion for an "applied Christianity" that millions of Americans shared. The historian Richard Hofstadter once wrote that other leading progressives only "sensed popular feelings; Bryan embodied them."

But that empathy didn't extend across the color line. Bryan,

creationists, they opposed Darwinism simply because it threatened the foundation of their faith. The fact that the ACLU hired Clarence Darrow, an avowed agnostic, to defend the teaching of modern biology made them suspicious about the motives of every secular liberal.

It didn't help that H.L. Mencken became the leading voice of modern skepticism. After covering the trial, the acidic writer described Bryan as the ringleader of a mob of yahoos, "a poor clod like those around him, deluded by a childish theology ... a peasant come home to the barnyard." Mencken was no liberal: He liked to make nasty remarks about Jews, was blind to the menace of Hitler, and despised FDR. But young progressives in the Jazz Age echoed his eloquent cynicism toward the old-time religion—and a culture war was on. For the cosmopolitan left, a belief in reason and science largely replaced the romantic, bottom-up faith of Bryan and his admirers.

The cultural conflict raged on different fronts during the Cold War. Skirmishes over "Godless communism," prayer in public schools, and legalized abortion pitted liberal modernists against evangelical Protestants. Gradually, the two groups moved into opposing parties. Whatever their personal beliefs, every Democratic nominee from Adlai Stevenson in 1952 to George McGovern in 1972 tried to skirt the subject of religion and assumed the fires of biblical politics had all but gone out. In 1976, a Southern Baptist from Georgia briefly reignited the idea that white evangelicals could also be progressives. But soon Jimmy Carter's maladroitness—and the new Christian right's attack on his apostasy—doused it once again. Favorite enemies were feminists who challenged truths, both textual and emotional, that many evangelical Protestants and traditional Catholics had always taken for granted. Conservative Republicans learned to spin such threads of resentment into electoral gold.

But one should not exaggerate the salience of these battles over gender and race in the politics of the 21st century. Most white evangelical preachers have come to terms with the memory of the black freedom struggle; they quote King and denounce gay marriage from the same platforms as inner-city black ministers. The old jokes about "women's lib" ring hollow in Christian families where both parents work and fathers take an increasingly active role in raising their children. And without the creative labors of women, most conservative churches would go out of business. Resistance remains strong to granting gays and lesbians

the same rights to wed and raise families that heterosexuals enjoy. But it may be the last popular stand of those who once touted themselves as "the moral majority."

All the attention given to the red-blue chasm over "values" and public religiosity also neglects the fact that few devout Americans attend church for political reasons. While they cherish tradition, a good many evangelical Protestants were adults when they joined their current place of worship. A personal crisis was often the reason: alcoholism, drug addiction, the death of a family member, a divorce. Others sought a counterweight for their children to the endless seduction of video games, crass TV, R-rated movies, and malls. Not many started praying and studying the Bible because they wanted to blockade a Planned Parenthood clinic.

Most evangelicals hope to find or build what civil rights activists in the early 1960s called a "beloved community," one that fills needs both worldly and spiritual. For millions of Americans, church is the only institution that attempts to help them with a variety of personal problems and places no bureaucratic obstacles in the way. An increasing number of churches offer child care, recreation, and job and marriage counseling, in addition to sermons and Bible study. Respected peers have the greatest influence on how most people vote. So when a trusted minister or fellow congregant urges support for candidates who stand up for "families" or "traditional values," otherwise

apolitical church members are inclined to go along. Democrats have long gained a similar boost from both African American churches and liberal white ones.

Moreover, the results of the last presidential election actually show that the allegiances of many reverent Americans are up for grabs. Liberals are not besieged rationalists on a shrinking island of good sense in a red sea filled with fundamentalist sharks. An extensive poll conducted for the Pew Forum soon after the votes were counted in 2004 found that the most significant divide was between churchgoers rather than one that pits them against the nonobservant and the unaffiliated. Bush and Kerry each drew half the votes of mainline Protestants, which includes members of such denominations as the Episcopalians and United Methodists (to which the president himself belongs). Bush carried three-quarters of all evangelicals, but Kerry won a narrow majority among modernist evangelicals who, whatever their theological preferences, take progressive stands on most political issues. A slim majority of Catholics voted Republican, even



though Kerry is a member of their church. But the Democrat won easily among both modernist Catholics and Latinos who adhere to their traditional faith.

These numbers should embolden those progressives who are trying to bridge the divide among believers. Most liberal Christians are as troubled as devout conservatives about the greed and materialism that pervade American culture, although the latter are less likely to finger the profit motive as a main source of the problem. Both groups reject the extreme libertarianism of such figures as Grover Norquist, who never met a social program he didn't loathe.

The same post-election Pew poll found that majorities of both conservative and liberal Christians favored such measures as humanitarian foreign aid, guaranteed health care for all, and aid to poor Americans—even if that means a boost in the income tax. Recently, such groups as the National Association of Evangelicals—most of whose 30 million members vote Republican—have been promoting a “global vision” that would include canceling the debt of impoverished nations and acting aggressively to counter the warming of the planet. An ethic of social responsibility thus increasingly pervades the gospel of both liberal and conservative Christians. Over time, it might prove more powerful than their sharp differences over abortion and gay marriage.

IF MANY EVANGELICALS FAVOR PROGRESSIVE PROGRAMS, why do most continue to vote for GOP candidates who oppose them? One should not assume, as does Thomas Frank in his Menckensque tour de force *What's the Matter with Kansas?*, that the faith of orthodox Christians of modest means blinds them from understanding their true interests. In truth, national Democrats have done little in recent decades to back up their vow to be the party of “people who work hard and play by the rules,” in Bill Clinton's still resonant phrase.

Over the past 40 years, what grand program did Democrats enact that resulted in measurable, durable changes in the economic fortunes of working Americans? The last landmark piece of legislation that fit that description was Medicare, passed by Congress and signed by President Lyndon Johnson in the summer of 1965. Health care insurance for all could have been such an achievement, but the Clintons failed to overcome staunch opposition from Republicans and most employers, as well as the serious flaws in their own design.

The consequence is that the lower and middle classes of white Americans who once voted for Bryan, Wilson, FDR, JFK, and LBJ no longer expect presidents to do much that will improve their material lives. But the one thing they know politicians can do is talk, and that rhetoric signals which aspects of American culture are harmful and which need to be strengthened. So it's not surprising that many religious, wage-earning Americans vote with their more prosperous brothers and sisters. They trust a conservative president to use his bully pulpit to promote abstinence, bash abortion, promote the power of prayer, and denounce “indecent” programs on television. Voting for a candidate like George W. Bush can make them feel part of a growing, mainstream, virtuous community.

To challenge that bond, progressive Christians might engage in a serious moral dialogue with their conservative counterparts, to practice what Michael Walzer, the political theorist, calls “connected criticism.” One attempt to do this was Hillary Clinton's view that abortion is often “a sad, even tragic choice” but should remain a legal one. Another is the doctrine of a “seamless garment of life,” first voiced by the late Joseph Cardinal Bernadin and echoed recently by Jim Wallis, the evangelical author and organizer. To argue that Christian voters should consider the views of candidates on war, capital punishment, and a living wage as well as on abortion and euthanasia might force activists on both the left and right to think hard about and debate the merits of the distinctions they make.

In the end, the success of a political opening to white evangelicals and traditional Catholics depends upon the sustained resurgence of a grass-roots left. Many liberals still harbor a nagging contempt for the God-fearing, the unhip, and the poorly educated—a weakness that GOP strategists from Lee Atwater to Karl Rove have skillfully exploited. As long as millions of ordinary churchgoers see no material advantage to voting for a Democrat and few places where secularists and evangelical believers are working together for the same political causes, they are likely to rely on institutions they already trust and leaders, both local and national, they already know.

For most of American history, such people saw no contradiction between practicing their faith and healing the wounds of an unequal society. Bryan declared that his overriding purpose was to place “the heart of the masses against the pocketbooks of a few,” and even his enemies didn't doubt his sincerity. Unless liberals can articulate their politics in such clear and passionate terms, their victories are likely to be fleeting and rare.

More than 80 percent of Americans hold strong religious beliefs, and that is unlikely to change anytime soon. Even Christians who don't regularly attend church regard the Scriptures and the example of Christ as moral touchstones that dovetail with the ideals of Americanism itself. Secular liberals ought to make their peace with this reality, while making sure that no religious faction—such as creationists—can install its doctrine into law.

In one of his last published poems, Czeslaw Milosz wrote:

If there is no God,
Not everything is permitted to man.
He is still his brother's keeper
And he is not permitted to sadden his brother,
By saying that there is no God.

A new liberalism could begin from the premise that one's fellow Americans of the lower and middle classes are brothers and sisters whose well-being ought to be the main goal of political activism and public policy. Despite their differences, that's what both Bryan and King were preaching. A revival may be possible today. **TAP**

Michael Kazin teaches history at Georgetown University. Parts of this essay are adapted from A Godly Hero: The Life of William Jennings Bryan, to be published in February by Knopf.

Culture & Books

"Michael Mandelbaum's latest book is a superficial symptom of a grave, even potentially deadly disease."

—PAGE 51



MEDIA

ALL THE PRESIDENT'S FRIENDS

Miller's gone, and Woodward is (voila!) forgiven. And the editors of our leading newspapers are clueless about the respect they've lost.

BY TODD GITLIN

LIKE MOST PEOPLE AT THE TIMES," *New York Times* executive editor Bill Keller told a Princeton gathering on November 14, "I am suffering from a serious case of Judy Miller fatigue." Aren't we all? But before we succumb, a deeper look would be timely.

The Miller case turns out to be part of an epidemic in need of a proper diagnosis. The very day Keller was criticizing Miller's WMD coverage while congratulating the paper for airing its dirty laundry, Bob Woodward, American journalism's knight in tarnished armor, was giving a deposition to the grand jury called by Special Counsel Patrick Fitzgerald. A couple

of days later Woodward published a statement in *The Washington Post*—one that read more like a legal-deposition-cum-bureaucratic memo than a journalistic report—revealing that "current or former Bush administration officials" had, in a "casual and offhand" manner, told him about Joseph Wilson's wife and her CIA job in June 2003, before Wilson's famous *Times* op-ed and before Robert Novak piped the leak into his column.

Two exalted, prizewinning journalists willingly embedded themselves in the disinformation exercises of the most mendacious administration in living memory. Their bosses have been busy controlling

the damage but cannot relinquish their favorite hobby: whistling in the dark. Miller's and Woodward's woeful stories are different, to be sure, but the common elements outweigh the differences. They tell an epic story of ingratiation bonded with ideology, of journalistic surrender to power.

WOODWARD APOLOGIZED FOR MISleading his editor, Leonard Downie Jr., by keeping his inside knowledge out of the paper's hands for more than two years—even though, as an assistant managing editor, Woodward was supposed to be helping the paper pursue stories like Fitzgerald's investigation.

But Woodward's besetting sin is graver than he acknowledges. Woodward seems free of Judy Miller's neoconservative zeal, but his method imprisons him. Like all deals with the devil, Woodward's deal with his sources entails a quid pro quo. The powerful spill their beans and he keeps their secrets under wraps until his books come out. Presumably his sources would be loath to spill if they knew their beans would appear in the next day's paper.

Woodward maintains that the public gets the benefit of these confidences through his books, and he's right—sometimes. But he dodges the larger point that in the interim, before the book comes out, readers of *The Washington Post* are deprived of information that, had they learned it contemporaneously, they might have acted on, while his behind-the-scenes tick-tock often negates what the paper is carrying day by day. In this case, the salient information is that at least three members of Bush's inner circle (I. Lewis "Scooter" Libby, Karl Rove, and Novak and Woodward's source or sources) were involved in a smear operation—either a bright idea they arrived at independently, each in the privacy of his own

skull, or a collective tactic and thus, in the letter of the law, a conspiracy.

If the purpose of news in a democratic society is, in Walter Lippmann's words, "to bring to light the hidden facts, to set them into relation with each other, and make a picture of reality on which men can act," then Woodward's sequestration of news into book fodder is flagrantly antidemocratic. It's secret keeping for the sake of secret keeping (and book sales). However revelatory his books may prove at times—as in *Bush at War's* certification that Bush had Saddam Hussein in his gun sights right after September 11, 2001—his method serves Woodward's desire to trade in confidences more than the public's right to know.

It gets worse. The Valerie Plame revelation didn't even make it into *Plan of Attack*, though Woodward did mention Wilson there, and his source's revelation clinches the point that powerful folks in Bush's circle were systematically spilling the Plame leak to smear her husband—a fact certainly relevant to the origins of the Iraq war. If you never publish relevant information so assiduously collected, what is the purpose of your reportorial privilege?

And it gets worse. To students at Columbia's Graduate School of Journalism last December, Woodward declared: "Only one or two people ever lied to me in a book interview." ("He's a lucky man," one newsmagazine investigator said to me drolly when I read her this quote.) When you consider who Woodward has interviewed for his books—the likes of William Casey, Dick Cheney, and Donald Rumsfeld—your jaw drops. No wonder you read Woodward's books in vain looking for moments of truth in which the writer compares claims to independently checked facts. It is not Woodward but Knight Ridder's James Kuhnhenh and Jonathan S. Landay who wrote, about a Cheney claim, the straightforward sentence: "This isn't true."

And it gets worse. In interviews, Woodward publicly and repeatedly sneered at Fitzgerald's investigation. "There was no nothing," he told Terry Gross on NPR's *Fresh Air* on July 7. "Laughable," "gossip," "chatter"—these are other words Wood-

ward deployed. These are not the words of a fly who merely sits on the wall. This fly is inside the conversation.

It's hard to avoid the conclusion that Woodward finds the inner drama of power so compelling that it melts away independent judgment. "These people are not my friends. I don't socialize with them," he said at Columbia. But they socialize him—into being their spokesman.

ON THIS SCORE, WOODWARD LEADS a veritable squadron in the Washington press corps whose mystifications wash out the solid work done by skeptical reporters. Woodward's silence about his direct knowledge of the White House sliming campaign against Wilson is perhaps not as consequential as Miller's lending herself to disinformation about WMDs in Iraq, but they are joined in overweening respect for unreliable authorities, and that entails disrespect for contrary evidence. It is this journalism of assent that lubricated Bush's rush to war.

Thanks especially to Michael Massing's reporting in *The New York Review of Books*, it is well established that Miller's prewar reports about WMDs (some co-written with Michael R. Gordon) were badly skewed. There's neither need nor space to review most of the particulars here, but it's worth re-examining the cavalier manner in which Miller dealt with one particular dissenter, for it is typical of journalism neutered and defanged.

One of Miller's most influential pieces was the more than 3,500-word front-pager she co-wrote with Gordon on September 8, 2002, headlined "U.S. Says Hussein Intensifies Quest for A-Bomb Parts." The piece opened with the notorious high-strength aluminum tubes sought by Saddam Hussein, tubes that "American officials believe were intended as components of centrifuges to enrich uranium." "Irrefutable evidence," said Cheney soon afterward. "Only really suited for nuclear weapons programs," said Condoleezza Rice. By fronting the Gordon-Miller piece, Howell Raines, then the *Times's* top editor, covered himself, showing that he was no liberal crusader but a gung-ho muckraker pursuing muck wherever it lay.

As Massing wrote, this piece met with the vehement objection of David Albright, a physicist and former weapons inspector who, as director of the Institute for Science and International Security, had worked with Miller since 1996 on Iraq-WMD questions. Before publishing, Miller had indeed tried to reach Albright, who was away at his grandmother's funeral. When he saw the piece, he was aghast. He called her and told her what he knew about aluminum tubes. They talked several times. "I spent years studying the Iraqi centrifuge program," Albright told me. "[Gordon and Miller's] story was perpendicular to what we knew. The Iraqis tend to reverse-engineer. They were not going to acquire equipment from elsewhere which they would then have to modify. This would require hard work and they might get it wrong. The tubes weren't even components, as they said. They were a pre-form, one step moved from a component."

Albright insists the tubes uproar was crucial in the run-up to war—more so than the yellowcake hullabaloo. "The tubes were the heart of the matter," he says. "The issue of uranium [from Africa] I never took seriously because Iraq could mine uranium itself. They had 400 tons of it. You only need five tons for a bomb. It had been collected by inspectors in the '90s and put in a warehouse." But the aluminum tubes, if they were really parts for uranium-enrichment centrifuges, were, if not quite smoking guns, at least guns being readied to smoke.

Albright was horrified when the follow-up piece came out. Fewer than 900 words, it ran on page A13 under the headline: "Threats and Responses: Baghdad's Arsenal; White House Lists Iraq Steps to Build Banned Weapons" on September 13, 2002, the day after President Bush's ready-for-war speech at the UN. Halfway down, Miller and Gordon cited unnamed officials as saying that "some experts had questioned whether Iraq might not be seeking the tubes for other purposes, specifically, to build multiple-launch rocket systems." But Miller and Gordon went on to dismiss such experts as representing "a minority view."

"I was very surprised that she and

Michael Gordon just insulted the critics," Albright told me. "I was furious at Judy. I didn't speak to her for more than a year." As for Gordon, "He was very strident. He told me once that he believed the CIA when they found no link between Iraq and al-Qaeda, so he was inclined to believe them on the subject of the aluminum tubes."

"You can't trust the *Times*," Albright concludes.

WMD—I GOT IT TOTALLY WRONG," Miller told the *Times*' Don Van Natta Jr., Adam Liptak, and Clifford J. Levy, who wrote the paper's long overdue self-study on October 16, 2005. "The analysts, the experts and the journalists who covered them—we were all wrong. If your sources are wrong, you are wrong."

These sentences deserve the closest of parsing. "The analysts, the experts" were not all wrong—David Albright wasn't, for one, nor were various State Department and Energy Department officials mentioned in passing by Miller and Gordon without citing any reasons for their dissent. "The journalists who covered them"? Knight Ridder's Jonathan S. Landay and Warren P. Strobel were right. *The Washington Post*'s Joby Warrick was right, though his important piece, under the headline "Evidence on Iraq Challenged; Experts Question If Tubes Were Meant for Weapons Program," ran on page A18 on September 19, 2002.

The key to Judy Miller's *cri de coeur* lies in her repeated alibi that the journalist is only as good as her sources. But sources, like WMDs, do not grow on trees. Nor, in general, do they swim up to the helpless journalist and attach themselves like barnacles. A journalist chooses them. Miller—and her superiors—fail to consider that her sources opened up to her precisely because they found her sufficiently reliable, meaning credulous. "My job," she said in a 2004 radio debate with Massing, "was not to collect information and analyze it independently as an intelligence agency; my job was to tell readers of *The New York Times*, as best as I could figure out, what people inside the governments who had very high security clearances, who were not supposed to talk

to me, were saying to one another about what they thought Iraq had and did not have in the area of weapons of mass destruction." No wonder Massing told me: "From her stories, it seems clear to me that she had an ideological agenda and went out to find information that would support it."

When officials systematically warp facts because they base themselves on faith, the I-don't-do-independent-analysis conception turns access journalism, always dangerous, into something yet more toxic—abscess journalism.

AT A TIME WHEN JOURNALISM IS widely distrusted, circulations are hemorrhaging, revenues bleeding, investors slaving, and bloggers eager to pounce on journalistic malfeasance, what lessons have the nation's news proprietors learned?

Not many. Our top newspapers seem to think that, in an age when they are under 24-7 blogger scrutiny, they can still purify themselves with ease, if embarrassed ease, by banishing Miller and slapping Woodward on the wrist. But top managers at the *Times* and the *Post* are clueless about how much respect they've lost. How did they miss first the WMD

hoax, then the White House's Wilson-baiting and CIA-baiting cover-up? How come Knight Ridder didn't miss those stories? What does their team know about covering Washington that the huge *Times* bureau doesn't?

A few days after the *Times* and Miller reached an agreement that parachuted her off the staff, I found myself at a party where I was introduced to Arthur O. Sulzberger Jr., the *Times*' publisher who is widely suspected of having protected Judy Miller when she was, as she quaintly likes to say, running amok. In the course of this unplanned conversation I asked Sulzberger what he had learned from the Judy Miller affair about how Bush's Washington should be covered. He refused to say. And it may well be that the publisher of the world's most important newspaper, up against the most destructive American government it has ever confronted, doesn't have a clue. **TAP**

Todd Gitlin is a professor of journalism and sociology at Columbia University. His latest book is The Intellectuals and the Flag. He writes regularly for TPMcafe.com. Research assistance provided by Simon Maxwell Apter.

FILM

REALITY PLAY

Steven Soderbergh's Bubble violates every commercial code by focusing its lens on the crisis facing workers in rustbelt America.

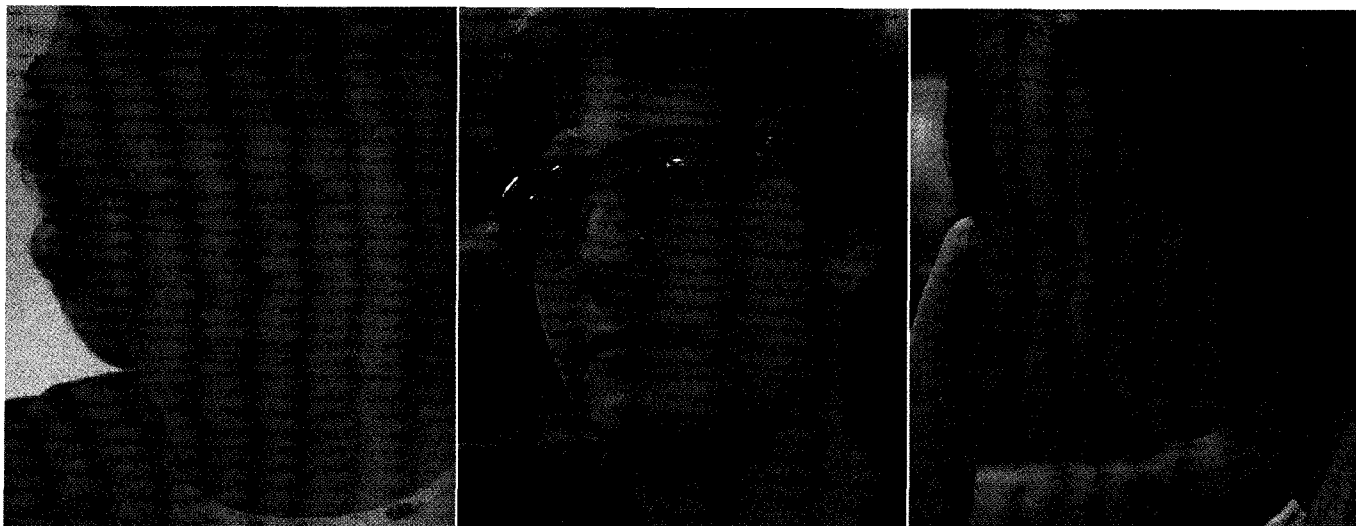
BY RICHARD B. WOODWARD

WE ARE NOT CONCERNED WITH the very poor," wrote E.M. Forster in a famous passage from *Howards End*. "They are unthinkable, and only to be approached by the statistician or the poet. This story deals with gentlefolk, or with those who are obliged to pretend that they are gentlefolk."

As a writer's creed, these lines have dated badly even if, when his novel was first published in 1910, Forster was merely being candid about the sorts of characters that his novel—and most respectable novels of his day—could dare to encom-

pass. George Eliot, Henry James, Ford Madox Ford, and Virginia Woolf would have admitted to the same discriminatory policy. Literary fiction grew up as entertainment and moral instruction for the middle class. Figures in these novels often aspire to a better life but are terrified of degradation into a lower social order; Leonard Bast, the hapless bank clerk who is one of Forster's catalysts in *Howards End*, "was not in the abyss, but he could see it, and at times people whom he knew had dropped in, and counted no more."

The movies have never had to worry



Art Imitates Life: Soderbergh enlisted real working people to serve as his lead actors.

too much about respectability. Melodramas about the very poor have been the lifeblood of American, European, and Asian popular film. For decades Hollywood storylines celebrated cowboys, pirates, and gangsters, men who flourished defiantly at the economy's outer limits. The lumpen-proletariat are the driving force in thousands of plots about organized and disorganized criminals—serial killers, jewel thieves, con men, jailbirds, drug addicts and drug dealers, the mentally ill, and others Karl Marx called “the flotsam of society.” Soon after the passing of the Edwardian era eulogized in *Howards End*, Charlie Chaplin became the most luminous star of cinema's youth by playing a shiftless and canny bum.

But the working poor—men and women paid minimum wages, struggling to make the rent and keep up with medical bills for ailing children or parents—are much less likely to see their lives reflected on screen. Pictures about mothers in the projects with low-paying jobs will never play as widely at the multiplex as sagas about their gun-slinging children. Movies love the problems of the young and are sentimental about problems in general, which is why the perilous hand-to-mouth existence of a tramp can be served up as romantic comedy.

Steven Soderbergh's new film, *Bubble*, is a shock in part because it so openly violates several tenets of this unofficial commercial code, ones that Soderbergh himself has successfully followed as the

director of *Ocean's Eleven* and *Ocean's Twelve*. Instead of making a diversion about a raffish band of thieves filmed with Hollywood sets and actors, he has this time pointed a realistic lens on the crisis of rustbelt America. Set in Ohio and shot for a low-budget \$1.6 million on location in towns along the Ohio–West Virginia border, the movie features adults who have little chance of bettering themselves unless they win the lottery. The title is ironic. These are not people who have experienced a meltdown of their high-tech stocks or a jump in housing prices. They never had a bubble to begin with.

The main character is an overweight middle-aged white woman named Martha who works two jobs and takes care of her ill and aged father. The story concerns her flirtation with Kyle, shy and handsome and decades younger, who lives with his mom in a trailer. He dropped out of high school because he couldn't tolerate the crowds in the hallways and now works with Martha in a low-wage doll factory. He accepts her attention—he doesn't have a functional car and she is more than happy to drive him places—until the arrival at the factory of Rose, an attractive young divorcee with a child who takes a shine to Kyle and soon becomes a rival in Martha's jealous eyes.

The workaday lives of this trio are depicted with a cynical eye unusual in American movies today. In addition to depicting an age-inappropriate sexual triangle, Soderbergh devotes considerable

time to the step-by-step manufacturing of the dolls, viewed here as surreal comedy. The screenplay, by Coleman Hough, manages to depict factory production with existentialist irony, as an activity both meaningful and absurd.

Kyle's task is pouring hot plastic into molds for the heads and limbs, then levering those heads and limbs out with an iron bar—they make a satisfying pop when they're cooked; Martha, who paints faces and attaches wigs and eyelashes, begins a whispering campaign against Rose, suggesting to Kyle that the new recruit lacks the temperament for skilled, patient labor.

Several of the funniest scenes take place during coffee breaks at the plant, as Martha and Rose use their gift for gab to try to impress passive, taciturn Kyle. Rose has one additional gift: she smokes, and so takes breaks with fellow addict Kyle while Martha watches them with envy through the mandatory non-smokers partition.

To heighten a sense of contemporary immediacy, Soderbergh hired nonprofessionals as his leads. Martha is played by Debbie Doebereiner, the general manager of a local Kentucky Fried Chicken for the past 24 years. An aspiring computer technician, Dustin James Ashley, plays sleepy-eyed Kyle, and Misty Dawn Wilkins, mother of four and a stylist at the Regis Salon in Vienna, West Virginia, is the vixen Rose.

The decision to cast untrained amateurs in dramatic roles, a technique brilliantly employed by the Italian neorealist

directors Roberto Rossellini, Vittorio De Sica, and Luchino Visconti in the years after World War II, by Luis Buñuel in his Mexican period, and recently by Gus van Sant in *Elephant*, has its pitfalls, and *Bubble* ultimately falls short in part because of them. Doeberiner is asked to deliver high-pitched emotional scenes at the end of the film that are not within her range. But this is more the fault of the screenplay, which devolves into a murder mystery, and her warm, dignified, solidifying performance until then is the reward for not having to watch Kathy Bates or some other gifted Hollywood actress attempt to convey what it's like to be poor in America today.

The gamble pays off, in Buñuel's harsh *Los Olvidados* and in *Bubble*, because ordinary people shrewdly observed and directed can often achieve a state of natural grace denied to trained actors. Forster and Theodore Dreiser were impoverished in their powers of description when compared to the ruthless eye of a camera. Soderbergh, who doubled as cinematographer on *Bubble*, tracks each character home to show us what kind of dwelling each can afford. One can guess simply by glancing at the façades and furnishings who rents and who owns, who has medical insurance—the factory is likely too small to provide it—and who goes to the emergency room for anything graver than the flu.

Bubble moves at the pace of daily life in the town, which is slowly losing energy and hope, and Soderbergh studies the actions of the people with a humane deliberation and cool distance. At times we seem to be witnessing a rain-forest tribe in danger of extinction. Best of all, the story does not resolve in simplistic ways meant to reassure Marxists or libertarians. Issues of age and wounded feelings, not money or class, provide the motive behind the crime at the film's climax.

The English directors Mike Leigh and Ken Loach, and the Belgian brothers Jean-Pierre and Luc Dardenne, are conspicuously dedicated to presenting the social and economic realities of contemporary life in their films. American directors, no matter how much they may secretly loathe the current system in Hollywood, have been less willing to sign

their names to this manifesto. Soderbergh is one of the few to express open rebellion and also take action. In interviews he has expressed his contempt for reality television, a formula that in his view humiliates poor people eager to do anything for a camera's momentary aggrandizement and that is, as he points out, "as far from reality as you can imagine and more fictionalized than the movies you see."

In pursuit of his reality campaign and to reach the moviegoer without the intervention of theatre owners, Soderbergh has teamed up with a pair of new-economy billionaires, Todd Wagner and Mark Cuban, to produce six low-budget features that will be distributed in a radical new format. *Bubble*, which was shot on Sony 950 high-definition video—the same technology George Lucas chose for his recent Star Wars prequels and sequels—is the first in the series. It has played at festivals in Toronto and New York and will open in art house theatres in January. At the same time it will also

be broadcast on the high-definition cable channel HDNet Movies and sold through their DVD division. The window between theatrical release and home consumption is here virtually eliminated.

As the director of *The Good German* with George Clooney and *Che* with Benicio del Toro, both in pre-production, Soderbergh has hardly turned his back on star-driven, big-budget movies. And there is no reason he should. The welcome news about *Bubble* is that he felt a need to make this kind of drama as well. It shouldn't be a revelation that the very poor exist in large numbers in America, although to judge from the stunned national reaction to the live images beamed from New Orleans after Hurricane Katrina, apparently this comes as a surprise. *Bubble* is a reminder that even people with a job and who live outside a flood zone may be only a few steps away from the abyss. **TAP**

Richard B. Woodward is an arts critic in New York.

BOOKS

REALISM AND REALITY

THE CASE FOR GOLIATH: HOW AMERICA ACTS AS THE WORLD'S GOVERNMENT IN THE 21ST CENTURY BY MICHAEL MANDELBAUM

Public Affairs, 320 pages, \$26.00

BY ANATOL LIEVEN

MICHAEL MANDELBAUM'S LATEST book is a superficial symptom of a grave, even potentially deadly disease: the inability of the overwhelming majority of the U. S. establishment to contemplate a limited scaling down of America's struggle for world dominance, even when the maximalist version of that goal has been clearly shown to be unsustainable. The neoconservatives represent only an extreme and crude version of this ambition. To a greater or lesser extent, it is shared by the leaders of both political parties and by a large majority of American politicians, soldiers, bureaucrats, and Washington policy intellectuals.

Unlike the neoconservatives, Mandelbaum has always been thought to belong to the realist tradition. Indeed, while in the

Democrat camp in the 1990s he clashed bitterly with the Clinton administration's professed commitment to nation building and the spread of democracy, summing up his critique in the damning phrase "foreign policy as social work." The realist side of Mandelbaum is still evident in the emphasis that he gives to order, trade, and the prevention of security threats, relative to humanitarian intervention and the spreading of democracy and human rights.

Yet in the name of these goals Mandelbaum makes a claim more breathtakingly ambitious than any advanced by any previous realist, from any country—assuming, that is, that Lenin, Stalin, and Hitler are to be classified as ideological fanatics rather than extreme realists. His argu-

ment is that the United States not only ought to be, but actually is in vital respects the government of the whole planet. He chooses as his symbolic figure for this power the biblical giant Goliath.

In Mandelbaum's words,

As portrayed in the pages that follow, [America's world role] has something in common with the sun's relationship to the rest of the solar system. Both confer benefits on the entities with which they are in regular contact. The sun keeps the planets in their orbits by the force of gravity and radiates the heat and light that make life possible on one of them. Similarly, the United States furnishes services to other countries, the same services, as it happens, that governments provide within sovereign states to the people they govern. The United States therefore functions as the world's government.

Much foreign criticism today is motivated not by hostility to the idea of America leading, but by alarm at the quality of its leadership.

Actually, there was a realist who once made a similar claim, though about himself rather than his country: I was forgetting Louis XIV, the "Sun King" of France.

Mandelbaum's vision dangerously extends the common realist argument that the international system benefits from the existence of a "hegemon," or superpower, capable of imposing a certain degree of order. Although there is a great deal to be said for U.S. leadership, the Iraq disaster should have made absolutely clear—long before Mandelbaum finished this book—that the level of global domination aspired to by the Bush administration, and by thinkers like Mandelbaum, is not only beyond America's resources but, if pursued, will bring even the beneficial aspects of America's global role to an early end.

Mandelbaum's first argument in support of his thesis concerns security, which is indeed the first and oldest function of every state. He suggests that just as the United States used nuclear deterrence to defend the non-Communist world and its own interests during the Cold War,

so it now provides "reassurance" to the democratic world.

Across most of the globe, in Mandelbaum's analysis, the United States deters potential aggressors, preserves peace, and thus provides the essential basis for economic development. By preventing the further spread of nuclear weapons, especially to "rogue states," the United States performs an essential service not only for its own interests but for those of humanity in general. This aim, Mandelbaum suggests, continues to justify the U.S. invasion and occupation of Iraq. The United States, of course, also combats international terrorism, though this is a threat that Mandelbaum puts second to traditional dangers of conflict between states.

Mandelbaum argues that the United States also fulfills a central function of government in the economic sphere: "The

dollar serves as the world's money," he writes. American military deployments ensure the safety of trade in general and of the world's access to Middle Eastern oil in particular. U.S. power, expressed in part through international institutions like the International Monetary Fund (IMF), is essential to the functioning of the international market system and the avoidance of major crises.

Finally, the United States is the world government in that, like national governments, it acts to encourage high levels of consumption. The United States primes the pump of the world's economy by maintaining high demand in its population for foreign products, thereby fueling Chinese economic growth and directly or indirectly maintaining the economic stability of many other states.

These claims are of greatly varying validity. That the dollar serves in a sense as the world's currency is entirely correct. For both good and evil, the United States also does exert great influence—though not governmental power—through the IMF. In the past, it has also played an im-

portant part in securing the flow of oil from the Persian Gulf, though the time may be fast approaching when U.S. policies in the region may be more of a threat than a help to the world's energy security.

There is no question that American consumers have fueled China's industrial boom, but it is more than a stretch to describe this effect as equivalent to the role of a government. Furthermore, due to America's resulting trade deficit, its role as the most voracious source of global demand is beginning to conflict directly with the task of maintaining a strong and stable dollar as the world's reserve currency.

Mandelbaum advances as evidence of America's fundamental "benignity" the fact that, unlike previous attempts at hegemony by one state, the rise of American power has not led other countries to form alliances to "balance" against it. He echoes the line of Fouad Ajami, Charles Krauthammer, and many others that most international criticism of the United States is basically motivated by envy, and suggests that other countries accept American leadership in part because they know that "they can reason with and sometimes redirect the attention and energies of Goliath ... opportunities to be heard and heeded in Washington are so plentiful."

Finally, in Mandelbaum's account, the United States cannot be replaced as the world government by the United Nations, European Union, or any other single country. He suggests that U.S. global power may well wane, not as a result of external pressure or defeat but because Americans do not wish to pay for international dominance at the expense of social welfare at home. This, he says, would be a disaster for the world.

Mandelbaum's book is forcefully and sometimes wittily argued, and has some good points. Taken as a whole, however, it is specious. His central argument does not work whichever way you look at it. If you accept his thesis and believe that the United States is, in fact, the world's government, the Bush administration had better pray that no interplanetary commission of enquiry comes calling any time soon. For on a whole range of critical functions of government and steward-

ship, the United States has in recent years been grossly negligent.

This is, above all, true of global warming, which Mandelbaum addresses not so much to assess the seriousness of the threat to our civilization as to score points against the EU. On a range of other issues as well, from preventable disease through poverty reduction to resolving some of the world's most bloody and dangerous conflicts, the United States under George W. Bush does not qualify as a responsible government.

Mandelbaum and like-minded analysts seem incapable of understanding that much criticism of the United States today is motivated not by hostility to the idea of America leading, but by profound alarm at the quality of its leadership. Even soldiers who may fully accept the principle of military subordination may yet come to hate, fear, and disobey a particular general whom they regard as incompetent and rash.

The terrorist threat to U.S. allies raises the question of whether the United States is any longer a security provider to Europe, or a security destroyer. Naturally, therefore, Europeans have every right and reason to be profoundly concerned both about the U.S. strategy that led to the Iraq War and about the appallingly incompetent way in which that strategy was executed. Concerning nuclear nonproliferation, the question is not whether this goal is desirable—of course, it is—or whether the United States is essential to its pursuit. It is whether existing U.S. strategies have any real chance of working, at least without catastrophic regional wars.

The Iraq fiasco has made the invasion and occupation of Iran and North Korea an obvious impossibility. Bombing would at most delay these countries' programs, while vastly inflaming nationalist sentiment and the danger from Iranian-sponsored extremism in the Middle East. What is left, therefore, is diplomacy—and this requires a willingness to offer serious concessions as well as to bring economic pressure to bear.

The Bush administration may be edging toward this approach in dealing with North Korea, but it is very far from it in dealing with Iran. Instead, powerful ele-

ments of the Bush administration and the U.S. establishment—once again, Democrat as well as Republican—continue to dream that “regime change” will somehow solve this problem. Yet, even if Iran became a genuine democracy, every opinion survey shows that a great majority of its people—and by no means just the mullahs—believe that their nation has the right in principle to develop its own nuclear deterrent.

On one issue, this book is worse than specious—it is a disgrace. At no point does Mandelbaum address the question of international perceptions of the U.S.-Israeli alliance and its effect in diminishing international confidence in American leadership. This is especially true in the area of nuclear nonproliferation to which he devotes so much attention. Differing views of America's relationship with Israel are certainly legitimate. But for a public intellectual to ignore its impact on America's international role is a dereliction of duty.

But then again, why bother with omissions when the whole world-government thesis is gimcrack? The Bush experience

has shown that the United States does not remotely have the power or will to function as a world government. On economic matters, it functions mainly through negotiation and cooperation with other major players. On environmental matters it barely functions at all.

And on security matters, Mandelbaum's choice of poor old Goliath as a symbolic figure was doubtless in part intentionally ironic, but it was also more ironic than he knew. For despite all his strength, Goliath was, of course, defeated by a much smaller opponent, as the United States is being defeated in Iraq, even if—like the Vietcong—the insurgents can never win on the battlefield. Goliath would have done well to have been lighter on his feet, less ambitious—and, above all, less arrogant. **TAP**

Anatol Lieven is a senior research fellow at the New America Foundation in Washington, D.C. His latest book, America Right and Wrong: An Anatomy of American Nationalism, recently appeared in paperback.

BOOKS

SEVEN MEALS FROM MURDER

THE MORAL CONSEQUENCES OF ECONOMIC GROWTH

BY BENJAMIN M. FRIEDMAN Knopf, 592 pages, \$35.00

BY ANN CRITTENDEN

ONCE UPON A TIME I TOOK AN undergraduate course in the history of economic thought. The assigned text was a slim little volume whose author announced in his introduction that he intended the book for “the average man and the intelligent woman.”

The Moral Consequences of Economic Growth, by the Harvard economist Benjamin M. Friedman, is aimed at the intelligent lay reader of either sex, which may or may not represent progress. Average students of economics no longer know much about the history or broader political context of their discipline, or have to read such popular classics as Robert L. Heilbroner's *The Worldly Philosophers*. Friedman's latest book is

an effort to correct that narrow focus.

Written in clear English, the book lays out a thesis that derives directly from the Enlightenment: Economic growth is not just about material well-being and more stuff. It is the essential bedrock of the civic virtues of openness and tolerance and a commitment to fairness and democracy. “Growth is valuable,” Friedman writes, “not only for our material improvements but also for how it affects ... our society's moral character.”

Conversely, economic stagnation is a major breeding ground of intolerance, mean-spiritedness, and political ugliness. This is true even for very prosperous countries like the United States that might seem to have “enough.” But appar-

ently it isn't the absolute standard of living that matters; it's the sense of progress. Psychological studies confirm that satisfaction depends less on a person's income than on how it is changing. For democracy and the public virtues to thrive, the majority of citizens need to feel that their standard of living or least their children's prospects are improving. Without that optimistic expectation, societies rarely make further moral advances, and they may regress. A democracy, it seems, has to keep delivering the goods—the hope of improvement—or it puts itself at risk.

This idea has become so familiar that it may now seem obvious. Of course, we are nicer and more generous on a full stomach. (Who was it who said we are all just seven meals away from murder?) For decades mainstream economists have

lash. The effort is broadly persuasive, though weakened by the occasional glaring exceptions (for example, the expansion of the American social safety net during the Great Depression) and important caveats ("The relationship is not exact ... since economic growth or its absence is hardly the only influence affecting social and political development.").

The book also lacks the strong voice and sense of moral outrage that can take a book from good to great, or at least ensure that it is talked about enough to grab people's attention. Friedman is a true scholar, and he scrupulously presents all sides of an argument and all the available evidence, even if this information muddies the water and dilutes his own case. Still, he has produced a powerful rebuttal to some of the conven-

the market would provide on its own."

This implies that the government has to increase federal spending, especially on early education, where there is the greatest bang for the buck. Friedman points out that federal spending for all domestic purposes other than support of the retired elderly is already smaller, compared to America's national income, than it was in 1940.

Does this mean that the recent massive federal deficits don't matter? In Friedman's view, nothing matters more! Deficits are absorbing the private savings that would otherwise be invested in new factories, equipment, and research. No nation can maintain adequate capital investment, and hence look forward to improved productivity and living standards, while burdened with the kind of chronic deficits we now face.

So what can we do to increase public investments and reduce these crippling deficits? On this point, Friedman is unequivocal: We have to start by rolling back the disastrous Republican tax cuts. In his previous book, *Day of Reckoning: The Consequences of American Economic Policy Under Reagan and After*, and in several articles in *The New York Review of Books*, he has argued that the tax cuts of the 1980s and the even greater tax reductions of 2001 have actually hampered growth, by crowding out private savings, creating unsustainable deficits, and increasing inequality.

Everyone who writes about American democracy ends up by quoting Tocqueville, and Friedman is no exception. He gives this observation prominent play: "[A] slow and gradual rise of wages is one of the general laws of democratic communities. In proportion as social conditions become more equal, wages rise; and as wages are higher, social conditions become more equal." Our democracy is no longer enjoying that virtuous circle. Friedman is an optimist, in that he believes we still have time to act. His is wise counsel and a sober warning. Let's hope someone is listening. **TAP**

Ann Crittenden is the author of The Price of Motherhood and If You've Raised Kids, You Can Manage Anything.

For democracy and the public virtues to survive, citizens need to feel that their standard of living or at least their children's prospects are improving.

told us that the economic pie has to keep growing if we want to avoid fighting over how it's distributed. And history is full of examples of the part that economic despair plays in social breakdown, from the collapse of Weimar Germany in the 1930s to the burning cars in France today. But just because something is obvious doesn't mean that everyone understands it.

A case in point is the absurd notion that we can airlift democracy into low-income countries with stagnant economies and civil strife. Friedman recently told an audience at the Council on Foreign Relations in New York that unless the situation in Iraq turns around soon, the prospects for democracy there are "negligible." Conversely, he is optimistic that if China's rapid pace of economic development is sustained for another generation, political liberalization will surely follow.

Much of the book is a survey of 200 years of Western history and of recent events in the developing world, connecting the dots between periods of prosperity and political reform, and periods of economic hardship and populist back-

tional assumptions of this country's governing elite.

Friedman is deeply concerned about the stagnation of American middle-class living standards during most of the past 30 years (with the brief exception of the late 1990s). Median household incomes in the United States have declined for the past five years in a row, meaning that more than half of the population is not getting ahead economically. If this book's analysis is correct, the increasing maldistribution of the rewards of growth is putting our democracy at serious risk.

Furthermore, market forces cannot, on their own, correct this situation. Friedman, an authority on financial markets, argues that the market mechanism left to itself will deliver too little economic growth. The market systematically underinvests in some key contributors to growth, particularly human capital. And because the public goods that spring from economic growth—tolerance and openness and a robust democracy—are goods that private markets neither price nor trade, a society that wants to secure those goods has "to seek growth beyond what

BOOKS

REFORMING FOR QUALITY

YOUR MONEY OR YOUR LIFE BY DAVID CUTLER

Oxford University Press, 158 pages, \$13.95

THE HEALTH CARE MESS BY RASHI FEIN AND JULIUS RICHMOND

Harvard University Press, 320 pages, \$26.95

BY EZRA KLEIN

IF SOCIAL SECURITY IS THE THIRD rail of American politics, health-care reform is the treadmill. Not quite so deadly, but far more time-consuming and exhausting. An errant leader who tries to touch the pension system gets immediately zapped, but presidents attempting to impose order on the health-care industry find themselves, after months and even years, exactly where they started and totally spent by the effort.

And yet they keep trying. No other initiative has been taken up so consistently only to fail so regularly. FDR would have liked to include health coverage for all in Social Security but decided it would imperil the whole bill. Harry Truman tried to pass national health insurance but was defeated by ascendant Republicans. By the presidencies of John F. Kennedy and Lyndon Johnson, liberals had decided universal insurance was out of reach and sought only to cover the old and the indigent. Richard Nixon pushed a plan centered on an employer mandate, but Watergate put an end to his efforts. And, most famously and recently, Bill Clinton's attempt ended in a spectacular implosion that hobbled his entire first term.

This history of frustration has attracted more than a few chroniclers. What sets Julius Richmond and Rashi Fein's *The Health Care Mess* apart from the pack is its expanded perspective. Rather than approaching health as a purely political issue, they detail the evolution of the health-care industry, especially the research sector, teaching infrastructure, and hubs of care delivery. For them, health care is a story not merely of failed political machinations but of new medicines and more advanced treat-

ments. As both were involved in government efforts to expand care during the 1960s and 70s, they're particularly strong when discussing the "bumper crop" of transformative health legislation and failed efforts to achieve universal coverage during that period.

But though their story is well told, it's a history that has been related elsewhere. And considering the many failed policy approaches to universal health care, what may be most needed is fresh thinking on the subject.

That's where David Cutler's *Your Money or Your Life* comes in. Cutler, a Harvard economist, worked on Clinton's doomed effort and, upon its death, set about reflecting on where they'd gone wrong. His eventual answer was virtually everywhere, but not just in the political sense. According to Cutler, the health-care debate is deeply flawed, myopically mired in issues of cost and access. Both, he grants, are important. But with most Americans able to afford health care, calls for reform based solely on those concerns will continue to fail. The fee-for-service system encourages a reliance on technology-intensive treatments—the costly procedures that are richly reimbursed by insurers—while simple, but potentially more valuable, services are often overlooked.

It would be disingenuous to call quality improvement a new idea. It's been kicking around policy circles for decades now, and Clinton's plan incorporated some provisions intended to promote better quality. But quality improvement has not yet emerged as a powerful force in the public debate, and Cutler's book, at a slim 123 pages (without notes) and written in admirably jargon-free prose,

seems an attempt to inject it into the conversation.

His argument is simple: A system based on high-intensity care, as ours is, will not only cost more, but deliver care of poorer quality. When unnecessary, surgery is dangerous as well as expensive. An ideal system would pay based on value, the degree of improvement, relief, and safety (medical errors and incorrect procedures take almost 200,000 lives each year) each service or procedure offered to patients. This would require greater standardization, comparative research, and data collection than we currently employ. But with the rise of information technologies, there's no longer an excuse to keep practicing intuitive medicine. The Veterans Administration health system has employed information technology to improve care, reduce errors, and better pinpoint diagnoses, and the system's hospitals now routinely outrank the best private care centers in the nation.

But as trenchant as Cutler's points on approaching medicine are, his suggestions for reform are weak. Despite admitting that private insurance is broken, he offers a vague hope that "bonus payments" for health improvements and risky enrollees can be deployed to end cherry-picking (the practice of seeking out healthy, young applicants and rejecting or pricing out unhealthy, older ones). If Cutler is unconvincing on the policy path forward, however, he is thoughtful and provocative on the foundations of the debate.

And maybe that's the crucial thing. After all, many fine political minds have tried to strategize their way out of this thicket; there's no reason to think we merely require yet finer tacticians. Rather, a fresh perspective may be exactly what the doctor ordered. Conservatives have enjoyed some success in hijacking the debate through the savvy deployment of fresh buzzwords like "Health Savings Accounts" and "Consumer Directed Health Care." If progressives are to return fire, they will need new weapons of their own, and Cutler may provide some help in furnishing that arsenal. **TAP**

Why WWI?

BY THOMAS FRANK

THE MOMENT IT DAWNED ON ME THAT THERE might be something to this Internet fad, I remember, was on a day in 1998 when I thought to run an eBay search with the word, "Ypres." Within seconds I was awash in artifacts—aerial photographs, vases made

from artillery shells, antique Michelin guides—having to do with the town in Belgium where the British Army suffered some of its most calamitous losses during the First World War. Here, in one place, were more of the sort of objects I covet than I would amass in a lifetime of sedulous thrifting.

Now, I am not one of these guys who spends his weekends reenacting infantry battles. With respect to the trench warfare of 1917—wholesale slaughter, industrialized and indifferent to individual heroics—one might as well reenact the Spanish Flu. Instead, the relics of World War I that I collect have for me a very different, and very specific meaning: Each helmet or cigarette lighter or bit of trench art is a token of monumental disillusionment, a reminder of the greatest-ever historical failure of enlightened, middle-class, Christian civilization. Every time I walk by one of my relics of that disaster a bit of *The Waste Land* runs through my head.

I know you're thinking, *this is what spending time in libraries does to people*, and you're partially right. But in an indirect way it is personal for me as well. My hometown of Kansas City is the location, as it happens, of a 21-story World War I monument and a very large collection of Great War artifacts. As a schoolboy I approached these pieces with a form of patriotic reverence that was then slowly going out of style (it has since returned, in slightly altered form)—an unproblem-

atic extension of the "Good War" mystique of WWII back onto go-round number one. American wars were about freedom and honor, I thought. Certainly that's what the WWI items themselves insisted, in the high-flown rhetorical style of the period: Liberty Memorial, America's War for Humanity, Halt the Hun.

This last is the headline on a Liberty Loan poster that hangs in my house today: An aristocratic-looking doughboy, carrying a saber and with chin lifted nobly, interrupts a porcine, spiked-hat German just as he gets his hands—and yes, they are bloody—on a cringing woman with child. A friend of mine once gazed upon this poster for a few moments and then remarked with obvious disgust: "And our government printed that. Our government."

My friend got it instantly. But it took me years to get it. It was difficult for the idealistic young me to grasp that millions of brave men had once been ordered to die in an ill-planned and essentially futile conflict. It is still difficult, even for the cynical old me. It is a lesson that I must relearn periodically, with an annual re-reading of *A Farewell to Arms* and Paul Fussell's *The Great War and*

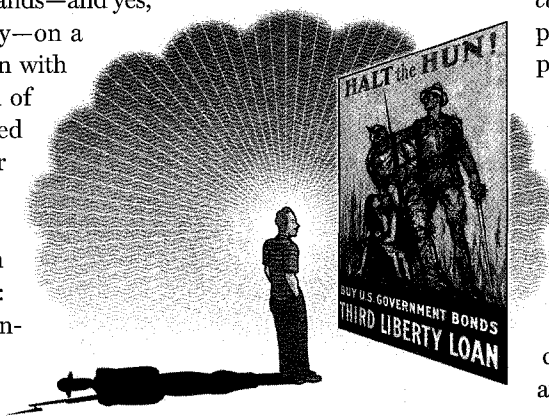
Modern Memory. I make a point of watching *The Grand Illusion* every time it comes on TV. I am even thinking about traveling, for the 90th anniversary memorial, to the site of the battle of the Somme—the infernal place where months of cocksure Allied preparation for a big offensive led instead to 58,000 British casualties on a single day, a day that Fussell describes as "one of the most interesting in the whole long history of human disillusion."

Artifacts of World War II, however, fall in a completely different collecting category. Here I have managed to compartmentalize the illusion-free view of war found in books like *The Naked and the Dead* and cling instead to the martial idealism of my youth. I was raised in a household where it seemed as though Hitler had only just been defeated, where many of the jokes in my favorite comic (it was called *Barnaby*, and it ran in *P.M.*) had to do with wartime rationing, and where my favorite board game involved moving your piece around by correctly identifying Allied or Axis aircraft from their spotlight silhouette. Even now I find it deeply reassuring to watch *Thirty Seconds over Tokyo* and *The Great Escape*, and I would probably still build plastic models of P-47s if I had enough time.

Today we are in the grip of a different sort of pro-war sentiment, in which the cynicism is readymade and the disillusionment is built-in, in

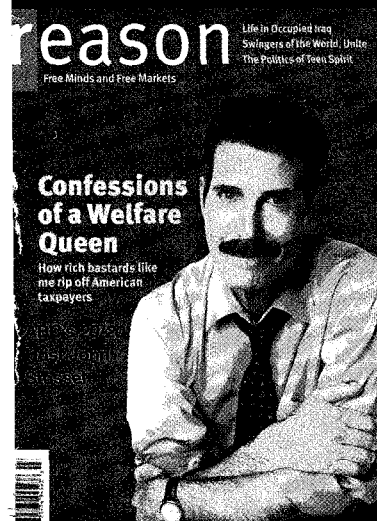
which our GIs are said to be eternally betrayed by journalists and (liberal) politicians back home. And as I sally forth to assail the masterminds of today's war, I find it helpful to gaze upon that steel helmet from 1916 and remember what its wearer learned. **TAP**

Thomas Frank is the author of What's the Matter With Kansas?



My definition
of a free society
is a society
where it is
safe to be
unpopular.”

— Adlai Stevenson



At **r**reason We Stand Up for Freedom

At **reason** magazine we've been battling on behalf of the Bill of Rights and individual liberty for 37 years. And today we're shouting from the editorial mountaintop fighting the newest attempts to power-grab your rights...

New surveillance technology... The PATRIOT Act... Zoning thuggery... Airport searches... Religious discrimination... Or any of the dozens of other raids on your rights that are going on right now.

Every month we make sure you know all about the latest schemes that the powers-that-be would like you to fall for... And supply a healthy dose of common sense along the way!

You'll find that **reason** is refreshingly unconventional... Often unpredictable... And always a fun read! And you can sense our all-out commitment to freedom on every page.

reason can't be pigeonholed with easy labels like "Left" or "Right," "Liberal or Conservative." That's why our readership goes way beyond the "gang of usual suspects" that congregates around more predictable magazines.

We believe you'll agree that **reason** is the magazine for you. Check us out today... **We've made it as easy for you as we possibly can!**

**We'll give you a FREE ISSUE to decide for yourself!
Just Send in your Free Issue Trial Voucher Today**

Celebrate Liberty... Subscribe to reason!

Free Issue Trial Voucher

end No Money!

After you review your Free Issue
• We'll send you an invoice for the remainder of your 1-year subscription (10 additional issues) for \$19.97 – a **Savings of 50% off Our Cover Price!** If you decide **reason** isn't for you, just write "cancel" on the invoice, and you'll owe nothing. The **Free Issue** will be yours to keep, no questions asked!

• you've got nothing to lose...
• **and a full year of sticking it to**
• **busybodies to gain!**

— Special FREE ISSUE Offer! —

☐ **Yes!** I want a magazine that **Celebrates Liberty**. Send me my **FREE ISSUE** of **reason**. And continue the remainder of my 1-year subscription for only \$19.97. I'll write "cancel" on my invoice, return it postage-paid – and owe nothing – if I'm not delighted.

Name: _____ Please Print

Address: _____ Apt. _____

City: _____

State: _____ Zip: _____

A50901

Mail Your **Free Issue Trial Voucher** Today to: **reason** Subscription Dept., PO Box 526, Mt. Morris, IL 61054-7867
OR Call 1-888-732-7668 Toll Free (Be Sure to Mention the **FREE ISSUE OFFER**) OR Visit www.reason.com/FreeIssue

ELECTRONIC REPRODUCTION PROHIBITED

Homeland security for everyone.

We hear you.



**AIR
AMERICA**
RADIO

A STATION FOR PEOPLE LIKE US.

WWW.1190WLIB.COM

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED